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ABSTRACT

The House Committee on Education and Labor recommends that the Human Services Reauthorization Act of 1990 be passed as amended. In reporting the bill, the committee proposes to authorize the Head Start Act, the Follow Through Act, the State Dependent Care Development Grants Act, the Community Services Block Grant Act, Community Food and Nutrition programs, the Child Development Associate Scholarship Assistance Act of 1985, and demonstration partnership agreements addressing the needs of the poor for fiscal years 1991 through 1994. The text of amendments is followed by an introduction, a statement of committee action, a statement of the background to and need for the legislation, and an explanation of the bill. Brief statements on committee approval, oversight, inflationary impact, oversight findings, recommendations of the Committee on Government Operations, and the cost of the legislation, are offered. Also provided are the text of changes in existing law made by the bill and a section-by-section analysis. Supplemental views on Head Start and Follow Through are included. (RH)

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101st CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
101-480

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HUMAN SERVICES REAUTHORIZATION ACT OF 1990

MAY 9, 1990.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. HAWKINS, from the Committee on Education and Labor, submitted the following

REPORT

together with

SUPPLEMENTAL AND ADDITIONAL VIEWS

[To accompany H.R. 4151]

[Including cost estimate of the Congressional Budget Office]

The Committee on Education and Labor, to whom was referred the bill (H.R. 4151) to authorize appropriations for fiscal years 1991 through 1994 to carry out the Head Start Act, the Follow Through Act, the Community Services Block Grant Act, and the Low-Income Home Energy Assistance Act of 1981, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Human Services Reauthorization Act of 1990".

TITLE I—AMENDMENTS TO THE HEAD START ACT

SEC. 101. AUTHORIZATION OF APPROPRIATIONS.

Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) by striking "$1,198,000,000" and all that follows through "1989, and", and

(2) by inserting after "1990" the following: ", $2,386,000,000 for fiscal year 1991, $4,273,000,000 for fiscal year 1992, $5,924,000,000 for fiscal year 1993, and $7,660,000,000 for fiscal year 1994".

SEC. 102. RESERVATION OF FUNDS.

(a) RESERVATION OF FUNDS.—Section 640(a) of the Head Start Act (42 U.S.C. 9835(a)) is amended—

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(1) in paragraph (1) by striking "and (3)" and inserting "through (5)",

(2) in paragraph (2)—

(A) in subparagraph (A)—

(i) by inserting "for each fiscal year" after "available", and

(ii) by striking "no less" and all that follows through "1985", and inserting "not less than the amount that was obligated for use by Indian and migrant Head Start programs for fiscal year 1990",

(B) in subparagraph (C) by striking "1982" and inserting "1990",

(C) by striking the penultimate sentence, and

(D) in the last sentence by inserting "or paragraph (3)" after "this paragraph",

(3) in paragraph (3) by striking "87 percent of the",

(4) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively, and

(5) by inserting after paragraph (2) the following:

"(3)(A) For any fiscal year for which the amount appropriated under section 639(a) exceeds the adjusted appropriation, the Secretary shall reserve the quality improvement funds for such fiscal year, for one or more of the following quality improvement activities:

"(i)(I) Not less than one-half of the amount reserved under this subparagraph, to improve the compensation (including benefits) of staff of Head Start agencies and thereby enhance recruitment and retention of such staff. The expenditure of funds under this clause shall be subject to section 653.

"(II) If a Head Start agency certifies to the Secretary for such fiscal year that part of the funds set aside under subclause (I) to improve wages cannot be expended by such agency to improve wages because of the operation of section 653, the such agency may expend such part for any of the uses specified in this subparagraph (other than wages).

"(ii) To pay transportation costs incurred by Head Start agencies to enable eligible children to participate in a Head Start program.

"(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

"(iv) To pay costs incurred by Head Start agencies to purchase insurance (other than employee benefits) and thereby maintain or expand Head Start services.

"(v) To make nonstructural and minor structural changes, and to acquire and install equipment, for the purpose of improving facilities necessary to expand the availability, or enhance the quality, of Head Start programs.

"(vi) Additional uses related to quality, as determined by the Secretary.

"(B)(i) Funds reserved under subparagraph (A) for a fiscal year shall be allotted by the Secretary among the States in the same proportion as the Secretary allots funds among the States under paragraph (5) for such fiscal year.

"(ii) To be expended for the activities specified in subparagraph (A) in the first fiscal and second fiscal years for which funds are required by such subparagraph to be reserved, the Secretary shall make a grant to each Head Start agency that receives a grant from funds allotted under paragraph (5) for such fiscal year, in the amount that bears the same ratio to the amount allotted under clause (i) for such fiscal year for the State in which such agency is located as the number of children participating in the Head Start program of such agency in such fiscal year bears to the number of children participating in all Head Start programs in such State in such fiscal year.

"(iii) To be expended for the activities specified in subparagraph (A) in each subsequent fiscal year for which funds are required by such subparagraph to be reserved, the Secretary shall make a grant to each Head Start agency that receives a grant from funds allotted under paragraph (5) for such fiscal year, in such amount as the Secretary considers to be appropriate. The aggregate amount of grants made under this clause to Head Start agencies in a State for a fiscal year may not exceed the amount allotted under clause (i) for such State for such fiscal year.

"(iv) If a Head Start agency certifies for such fiscal year to the Secretary that it does not need any funds under subparagraph (A), or does not need part of such funds it would otherwise receive under clause (ii) or (iii), then unneeded funds shall be used by the Secretary to make grants under this subparagraph without regard to such agency.

"(v) Funds received under this subparagraph shall be used to supplement, not to supplant, funds received under paragraphs (2), (4), and (5).

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"(4)(A) The Secretary shall reserve $30,000,000 for fiscal year 1991, $31,200,000 for fiscal year 1992, $32,448,000 for fiscal year 1993, and $33,745,920 for fiscal year 1994 to make grants to Head Start agencies to carry out early childhood intervention programs, to be known as 'Parent-Child Centers', within Head Start programs.

"(B)(i) Such programs shall be designed—

"(I) to enhance the development of children who are less than 3 years of age; and

"(II) to strengthen the family unit by providing opportunities for increasing the child development skills and knowledge of their parents.

"(ii) Such programs shall provide comprehensive services (such as social, health, and educational services) to low-income families with children who are less than 3 years of age. Notwithstanding section 645(c), such programs may provide such services to any eligible family during any period of time and may be center-based, home-based, or a combination of both.

"(C) Funds reserved under subparagraph (A) for a fiscal year shall be allotted as follows:

"(i) 87 percent of such funds shall be allotted among the States in the same proportion as funds are allotted among the States under paragraph (5).

"(ii) 13 percent of such funds shall be used to—

"(I) increase the allotments made under clause (i) so that the allotment made under clause (i) for each State is not less than the amount expended in fiscal year 1990 by Head Start agencies in such State to carry out early childhood intervention programs of the kind described in subparagraph (B); and

"(II) to make payments for programs and services specified in paragraph (2)(A) and to make payments to entities specified in paragraph (2)(B) to carry out such programs.

"(D) The Secretary may not make a grant under this paragraph to a Head Start agency for a fiscal year unless such agency certifies that carrying out the early childhood intervention program for which such grant is requested will not reduce services provided by such agency to children who participate in its other programs under this subchapter.

"(E) For purposes of this paragraph, the term 'low-income family' means a family that satisfies the eligibility requirements applicable under section 645(a).".

(b) DEFINITION.—Section 637 of the Head Start Act (42 U.S.C. 9832) is amended—

(1) by redesignating paragraphs (1) through (3) as paragraphs (2) through (4), (2) by inserting before paragraph (2), as so redesignated, the following:

"(1) The term 'adjusted appropriation' means—

"(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 110 of the amount appropriated under section 639 for the preceding fiscal year, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determination is made under section 640(a)(3)(A); and

"(B) with respect to the each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, the amount appropriated under section 639 for the preceding fiscal year adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determination is made under section 640(a)(3)(A).", and

(3) by adding at the end the following:

"(6) The term 'quality improvement funds' means—

"(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 10 percent of the amount appropriated under section 639 for such fiscal year; and

"(B) with respect to the each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 25 percent of the portion of the amount appropriated under section 639 for such fiscal year that exceeds the adjusted appropriation for such fiscal year.".

SEC. 103. REQUIREMENTS APPLICABLE TO THE SECRETARY.

(a) REPORT ON STATUS OF CHILDREN.—Section 640(d) of the Head Start Act (42 U.S.C. 9835(d)) is amended—

(1) in the last sentence—

(A) by inserting "submit a comprehensive" after "shall",

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(B) by striking "handicapped children" and inserting "children (including handicapped children)", and

(C) by striking ", their handicapping conditions,", and

(2) by adding at the end the following:

"Such report shall include—

"(1) a statement for the then most recently concluded fiscal year specifying—

"(A) the amount of funds received by Head Start agencies designated under section 641 to provide Head Start services in a period before such fiscal year; and

"(B) the amount of funds received by Head Start agencies newly designated under section 641 to provide such services in such fiscal year;

"(2) a description of the distribution of Head Start services relative to the distribution of children who are eligible to participate in Head Start programs;

"(3) a statement identifying how funds expended under section 640(a)(2), and grants made under section 640(a)(3), were distributed and used at national, regional, and local levels;

"(4) a statement specifying the amount of funds provided by the State, and by local sources, to carry out Head Start programs;

"(5) cost per child and how such cost varies by region;

"(6) employment status of parents;

"(7) teacher salaries and educational level;

"(8) number of recipients of benefits under title IV of the Social Security Act participating in Head Start programs;

"(9) the source of non-Federal funds used in such programs; and

"(10) the use and source of funds to extend Head Start services to operate full-day and year round.

Promptly after submitting such report to the Congress, the Secretary shall publish in the Federal Register a notice indicating that such report is available to the public and specifying how such report may be obtained.".

(b) GUIDELINES.—Section 640 of the Head Start Act (42 U.S.C. 9835) is amended by adding at the end the following:

"(f) The Secretary shall develop guidelines that define criteria to enable Head Start agencies to modify or implement their service delivery models.".

SEC. 104. COMPREHENSIVE HEAD START REPORT

The Head Start Act (42 U.S.C. 9801 et seq.) is amended by inserting after section 640 the following:

"COMPREHENSIVE REPORT

"SEC. 640A. (a) The Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

"(1) not later than July 1, 1993, an interim comprehensive report; and

"(2) not later than January 1, 1994, a final comprehensive report;

in accordance with this section.

"(b) The reports required by subsection (a) shall contain—

"(1) the information contained in the documents entitled 'Program Information Report' and 'Head Start Cost Analyses System' (or any document similar to either), prepared with respect to Head Start programs;

"(2) a description of the effect of the 1990 Decennial Census on the allotment of funds under this subchapter;

"(3) a description of the extent to which Head Start programs and local elementary schools coordinate their respective activities with each other and cooperate in providing activities;

"(4) a description of the extent to which social services in the communities are used by children who participate in Head Start programs and by their families;

"(5) separate descriptions of how this subchapter is administered by the headquarters of the Department of Health and Human Services and by its regional offices, including an analysis of the negotiations that occur between such regional offices and applicants for grants under this subchapter;

"(6) a description of the condition of facilities used by Head Start programs;

"(7) the results of recent studies evaluating the effectiveness of Head Start programs in meeting their goals;

"(8) a description of the impact of expending funds under paragraph (3) on staff qualifications, staff wages, and staff turnover of Head Start agencies; and

"(9) the matters specified in paragraphs (1) through (4) of section 640(d).

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"(c) The Secretary shall meet periodically with the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate to inform the committees of the progress made in preparing the reports required by subsection (a).".

SEC. 105. DESIGNATION OF HEAD START AGENCIES.

Section 641(d) of the Head Start Act (42 U.S.C. 9836(d)) is amended by adding at the end the following: "In selecting from among qualified applicants for designation as a Head Start agency and subject to the preceding sentence, the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—

"(1) any past performance of such applicant in providing services comparable to Head Start services, including how effectively such applicant provided such comparable services;

"(2) the plan of such applicant to provide comprehensive health, nutritional, educational, social, and other services needed to aid participating children in attaining their full potential;

"(3) the plan of such applicant to coordinate the Head Start program it proposes to carry out, with other preschool programs and with the educational programs such children will enter at the age of compulsory school attendance;

"(4) the plan of such applicant to involve parents of children who will participate in the proposed Head Start program in appropriate educational services (in accordance with the performance standards in effect under section 651(b) or through referral of such parents to educational services available in the community) in order to aid their children to attain their full potential;

"(5) the ability of such applicant to carry out the plans described in paragraphs (2), (3), and (4); and

"(6) other factors related to the requirements of this subchapter.".

SEC. 106. POWERS AND FUNCTIONS OF HEAD START AGENCIES.

Section 642 of the Head Start Act (42 U.S.C. 9837) is amended—

(1) in subsection (b) by striking "and (4)" and inserting the following: "(4) involve parents of children participating in its Head Start program in appropriate educational services (in accordance with the performance standards in effect under section 651(b) or through referral of such parents to educational services available in the community) in order to aid their children to attain their full potential; and (5)", and

(2) in subsection (c)—

(A) by inserting ", and schools that will subsequently serve," after "serving", and

(B) by striking "agency to carry out the provisions of this subsection" and inserting "program, to carry out this subchapter".

SEC. 107. ADMINISTRATIVE COSTS.

The first sentence of section 644(b) of the Head Start Act (42 U.S.C. 9839(b)) is amended by inserting "the required" after "including".

SEC. 108. NEUTRALITY.

Section 644 of the Head Start Act (42 U.S.C.9839) is amended by adding at the end the following:

"(e) Funds appropriated to carry out this subchapter shall not be used to assist, promote, or deter union organizing.".

SEC. 109. PARTICIPATION IN HEAD START PROGRAMS.

The last sentence of section 645(a)(2) of the Head Start Act (42 U.S.C. 9840(a)(2)) is amended by striking "1990" and inserting "1994".

SEC. 110. NOTICE AND HEARING.

Section 646 of the Head Start Act (42 U.S.C. 9841) is amended—

(1) by inserting "(a)" after "Sec. 646.",

(2) in paragraph (3) by inserting "or reduced" after "terminated", and

(3) by adding at the end the following:

"(b) The Secretary may not prescribe any procedure that would modify the operation of section 1303.21 or 1303.33, or any of subdivisions (a) through (f) of section 1303.35, of part 1303 of chapter XIII of the Code of Federal Regulations as in effect on April 1, 1990.".

SEC. 111. ROUTINE EVALUATIONS.

Section 651 of the Head Start Act (42 U.S.C. 9846) is amended—

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(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively, and (2) by inserting after subsection (b) the following:

"(c)(1) Subject to paragraph (3) and in addition to evaluations carried out under subsection (a), the Secretary shall carry out in each fiscal year a comprehensive evaluation of not less than one-third of the Head Start programs for which funds are received under this subchapter in such fiscal year.

"(2) In carrying out an evaluation under paragraph (1) of each Head Start program, the Secretary shall—

"(A) to the maximum extent practicable, carry out such evaluation by using employees of the Department of Health and Human Services who are knowledgeable about Head Start programs;

"(B) ensure that an employee of the Department of Health and Human Services who is knowledgeable about Head Start programs supervises such evaluation at the site of such program; and

"(C) measure the compliance of such program with the performances standards in effect under subsection (b).

"(3) Each Head Start program shall be evaluated under paragraph (1) not less frequently than once in each 3-year period.".

SEC. 112. LONGITUDINAL STUDY OF HEAD START PARTICIPANTS.

(a) Study Required.—The Head Start Act (42 U.S.C. 9801 et seq.) is amended by inserting after section 651 the following:

"LONGITUDINAL STUDY OF HEAD START PARTICIPANTS

"SEC. 651A. (a) The Secretary shall conduct, through contracts with qualified persons, a longitudinal study of the effects that the participation in Head Start programs has on the development of children and their families.

"(b) In carrying out the study required by subsection (a), the Secretary shall establish an advisory panel to provide advice and guidance to the Secretary and to the persons who carry out such study, regarding the design and execution of such study. Such panel shall be composed of—

"(1) individuals who have—

"(A) expertise in the current operation of Head Start programs;

"(B) professional background in child development and related fields,

"(C) experience in the evaluation of Head Start programs and comparable programs; and

"(2) individuals who have expertise in designing and executing large-scale longitudinal studies.

"(c) Each study required by subsection (a) shall be carried out during a period of not less than 20 years, shall be based on a sample representing the national population and various subpopulations, and shall include information on—

"(1) the characteristics of the Head Start programs included in such study;

"(2) the children participating in such programs and their families;

"(3) the effects of each Head Start program included in such study on the children participating in such program and on their families, including—

"(A) the effects of receiving Head Start services during more than one year;

"(B) the effects of such program on the parent-child relationship;

"(C) the long-term and short-term effects of such program on the health of such children and their families; and

"(D) changes that occur in the community in which such program operates, caused by the effects described in subparagraphs (A), (B), and (C);

"(4) the school grades, grade retention, motivation, special education placement, secondary school graduation, delinquency, college attendance, welfare participation and employment of such children; and

"(5) variables that sustain gains as such children move through the primary grades.

"(d) To the maximum extent feasible, the study required by subsection (a) shall provide for comparisons with appropriate control groups composed of individuals who do not participate in Head Start programs.

"(e) While each study required by subsection (a) is being carried out, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

"(1) periodic reports on the progress of such study; and

"(2) for the Head Start programs included in such study, the information specified in subsection (c).".

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(b) AUTHORIZATION OF APPROPRIATIONS.—Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) by inserting "(a)" after "SEC. 639.",

(2) by inserting "(other than section 651A)" after "subchapter", and

(3) by adding at the end the following:

"(b) There are authorized to be appropriated such sums as may be necessary to carry out section 651A for fiscal years 1991 through 2011.".

SEC. 113. POVERTY LINE.

(a) ISSUANCE OF POVERTY LINE.—Subsection (a) of section 652 of the Head Start Act (42 U.S.C. 9847(a)) is amended to read as follows:

"(a) The Secretary shall issue annually (or at any shorter interval the Secretary considers to be feasible and desirable) a poverty line which, except as provided in section 645, shall be used as a criterion of eligibility for participation in Head Start programs.".

(b) DEFINITION.—Section 637 of the Head Start Act (42 U.S.C. 9832), as amended by section 102(b), is amended by adding at the end the following:

"(5) The term 'poverty line' means—

"(A) the official poverty line (as defined by the Office of Management and Budget) adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the 1-year period or other interval immediately preceding the date such adjustment is made; or

"(B) the poverty line (including any revision thereof) applicable to this subchapter for fiscal year 1990, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the period beginning October 1, 1989, and ending immediately before the date such adjustment is made;

whichever is greater.".

(c) TECHNICAL AMENDMENTS.—Section 652 of the Head Start Act (42 U.S.C. 9847) is amended—

(1) by striking subsection (b), and

(2) in subsection (c) by striking "(c) Revisions required by subsection (a) shall be made and issued" and inserting "(b) The poverty line shall be determined by the Secretary".

SEC. 114. AUTHORITY OF SECRETARY.

Section 645(c) of the Head Start Act (42 U.S.C. 9840(c)) is amended by adding at the end the following: "The Secretary may not issue or enforce any rule (as defined in section 551(4) of title 5 of the United States Code) or guideline that forbids any Head Start agency to carry out a Head Start program in accordance with the authority described in the preceding sentence.".

SEC. 115. DETERMINATION REQUIRED.

Not later than 3 years after the date of the enactment of this Act, the Secretary of Health and Human Services shall—

(1) determine—

(A) whether Head Start services are provided effectively nationwide in family day care settings, and

(B) how such services should be designed to be provided in such settings to ensure their high quality and comprehensiveness, and

(2) publish in the Federal Register the determination made under paragraph (1) and a summary of the facts relied upon by the Secretary to reach such determination.

SEC. 116. TECHNICAL AMENDMENTS.

Section 643 of the Head Start Act (42 U.S.C. 9838) is amended—

(1) by striking "Governor" the first place it appears and inserting "chief executive officer", and

(2) by striking "Governor" the second and third places it appears and inserting "such officer".

TITLE II—AMENDMENTS TO THE FOLLOW THROUGH ACT

SEC. 201. TECHNICAL AMENDMENTS.

Subchapter C of Chapter 8 of Subtitle A of title VI of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9801-9861) is amended—

(1) by inserting after section 661 the following:

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"PART I—DIRECT SERVICES", and

(2) in section 668 by striking "this subchapter" each place it appears and inserting "part I".

SEC. 202. FINANCIAL ASSISTANCE FOR FOLLOW THROUGH PROGRAMS.

(a) Provision of Assistance.—Section 662 of the Follow Through Act (42 U.S.C. 9861) is amended—

(1) in the first sentence of subsection (a) by inserting "quality pre-school" after "similar",

(2) in subsection (c)—

(A) in the first sentence by striking "this section shall provide such" and inserting "this part shall use model Follow Through approaches for which financial assistance is provided under section 664A and shall provide", and

(B) by striking "project" and inserting "program", and

(3) by adding at the end the following:

"(d) The Secretary may not refuse to provide financial assistance under subsection (a) to an applicant solely because such applicant proposes to carry out a Follow Through program during a period in which school is not in regular session, at more than one site, or both.

"(e)(1) In making grants under subsection (a), the Secretary shall provide sufficient funds to enable programs to meet the requirements of subsection (c).

"(2) If the aggregate amount appropriated for a fiscal year to carry out this subchapter exceeds $15,000,000, the amount of each such grant shall be not less than $200,000.".

(b) TECHNICAL AMENDMENT.—Section 662(c) of the Follow Through Act (42 U.S.C. 9861(c)) is amended by striking "projects" and inserting "programs".

SEC. 203. APPLICATIONS AND FUNDING.

The Follow Through Act (42 U.S.C. 9801-9861) is amended by striking section 663 and inserting the following:

"CONSIDERATION OF APPLICATIONS

"SEC. 663. (a) IN GENERAL.—A grant under this part may be made only to an applicant that submits an application to the Secretary containing such information as may be required by the Secretary by rule.

"(b) CONTENTS OF APPLICATION.—Each application shall—

"(1) provide that the program for which assistance is requested will be administered by or under the supervision of the applicant;

"(2) provide for the proper and efficient administration of such program;

"(3) provide for regular evaluation of such program;

"(4) provide that regular reports on such program shall be sent to the Secretary;

"(5) estimate the number of children who are eligible for Follow Through services in the geographical area served by such program and the approximate number to be served by such program;

"(6) describe which model Follow Through approach the applicant intends to use, and the manner in which the applicant will implement such approach;

"(7) provide evidence that the applicant has made a formal arrangement to receive technical assistance and training relative to such approach from an appropriate agency, institution, or organization that receives funds under section 664A;

"(8) provide an assurance that the instructional program, including textbooks and other materials provided by the applicant, is appropriate to the ages and developmental needs of the children to be served by such program and to the model Follow Through approach selected;

"(9) provide for direct participation of parents, as provided in section 662(c), and include a certification that such application has been approved by a committee (established in accordance with rules issued by the Secretary) that represents parents of children who participate, and parents of children who are likely to participate, in such program;

"(10) describe how the applicant proposes to coordinate services under this part with services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, the Bilingual Education Act, and the Education of the Handicapped Act;

"(11) provide evidence that the applicant has formally arranged with local Head Start programs and other preschool programs for such cooperation and

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activities as will ensure an effective transition of eligible children entering the Follow Through program carried out by such applicant; and

"(12) describe the expected or, if possible, actual impact of such program on the applicant's regular school program.".

SEC. 204. PROGRAM IMPROVEMENT.

(a) RESEARCH, EVALUATION, AND RELATED MATTERS.—The Follow Through Act (42 U.S.C. 9801-9861) is amended by striking section 664 and inserting the following:

"PART II—PROGRAM IMPROVEMENT

"RESEARCH

"SEC. 664. (a) The Secretary may provide financial assistance, through grants and contracts, to public and private nonprofit agencies, institutions, and organizations to conduct research—

"(1) to improve Follow Through approaches; and

"(2) to meet the special needs of children who are eligible to participate in Follow Through programs.

"(b) In providing assistance under this subsection (a), the Secretary shall give priority to applicants that have experience in developing, administering, or evaluating Follow Through programs or model Follow Through approaches.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 664A. The Secretary shall make grants to public and private nonprofit agencies, institutions, and organizations—

"(1) to provide technical assistance to assist in the development, implementation, and expanded use of model Follow Through approaches; and

"(2) to provide training in conjunction with the operation of Follow Through programs or other programs that adopt such approaches.

"RESOURCE AND EXPANSION

"SEC. 664B. The Secretary may make grants to entities which operate, or previously operated, Follow Through programs that the Secretary has found to be effective—

"(1) to act as Follow Through resources to develop and provide information on the operation of their respective programs;

"(2) to promote the adoption of similar programs by local educational agencies; and

"(3) to assist agencies, institutions, and organizations that receive funds under section 664A, in providing technical assistance and training.

"NATIONAL CLEARINGHOUSE

"SEC. 664C. (a) If the amount appropriated to carry out this subchapter exceeds $19,000,000, then the Secretary shall make a grant to an organization that represents entities referred to in sections 662, 664A, and 664B to establish a national clearinghouse on Follow Through programs (hereinafter in this section referred to as the clearinghouse), which shall provide information, without charge or at such reasonable cost as the Secretary may determine, to the public concerning—

"(1) programs that receive financial assistance under section 662;

"(2) model Follow Through approaches;

"(3) the kinds of technical assistance and training available under section 664A;

"(4) the procedure to obtain technical assistance and training available under section 664A; and

"(5) Follow Through research and evaluations.

"(b) The Secretary shall make available to the clearinghouse all research and evaluations that relate to Follow Through programs and for which the Secretary provides, or has ever provided, funds.

"(c)(1) The Secretary shall promote the awareness and use of model Follow Through approaches by—

"(A) informing recipients of grants and contracts under section 1562 of the Elementary and Secondary Education Act of 1965 of the types of information received by the clearinghouse; and

"(B) making all information received by the clearinghouse available without charge to such recipients.

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"(2) From the funds appropriated for each fiscal year to carry out this part, the Secretary shall expend—

"(A) not less than $100,000 to pay the costs incurred by such recipients to disseminate information relating to such approaches; and

"(B) not less than $300,000 to carry out this section.".

(b) CONFORMING AMENDMENT.—The Follow Through Act (42 U.S.C. 9801-9861) is amended by striking section 667.

SEC. 205. RESEARCH AND EVALUATION CONTRACTS.

Section 665 of the Follow Through Act (42 U.S.C. 9864) is amended—

(1) in the heading of such section by striking ", DEMONSTRATION, AND PILOT PROJECT" and inserting "AND EVALUATION", and

(2) in subsection (a)(1) by striking ", demonstration, or pilot project" and inserting "or evaluation".

SEC. 206. EVALUATION.

Section 666(a) of the Follow Through Act (42 U.S.C. 9865(a)) is amended by striking the last sentence.

SEC. 207. GENERAL AND ADMINISTRATIVE PROVISIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—The Follow Through Act (42 U.S.C. 9801-9861) is amended by inserting after section 666 the following:

"PART III—GENERAL AND ADMINISTRATIVE PROVISIONS

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 667. (a) There are authorized to be appropriated to carry out this subchapter $8,436,000 for fiscal year 1990, $20,000,000 for fiscal year 1991, $30,000,000 for fiscal year 1992, $40,000,000 for fiscal year 1993, and $50,000,000 for fiscal year 1994.

"(b) Of the amount appropriated for each fiscal year to carry out this subchapter—

"(1) 70 percent shall be available to carry out part I; and

"(2) 30 percent shall be available to carry out part II.

"(c)(1) Financial assistance provided under part I for a Follow Through program shall not exceed 80 percent of the approved costs of the program assisted, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines, in accordance with rules establishing objective criteria, that such action is required to carry out such part.

"(2) Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, and services.

"(3) The Secretary may not require non-Federal contributions in excess of 20 percent of the approved costs of the Follow Through program assisted.

"(d) An application for assistance under this subchapter may not be approved unless the Secretary is satisfied that the services to be provided under this subchapter by such applicant will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such rules as the Secretary may issue.".

(b) CONFORMING AMENDMENT.—Section 670 of the Follow Through Act (42 U.S.C. 9861 note) is repealed.

SEC. 208. PARTICIPATION IN OTHER EDUCATIONAL ACTIVITIES.

The Follow Through Act (42 U.S.C. 9801-9861) is amended by inserting after section 669 the following:

"PARTICIPATION IN OTHER EDUCATIONAL ACTIVITIES

"SEC. 669A. The Secretary shall facilitate the participation of entities that receive funds under sections 664A and 664B in training and technical assistance activities carried out under other Federal programs that provide assistance to children in elementary schools.".

SEC. 209. TECHNICAL AMENDMENT.

Section 668(a) of the Follow Through Act (42 U.S.C. 9867(a)) is amended by inserting "programs and" before "projects".

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TITLE III—AMENDMENTS TO THE STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

SEC. 301. AMENDMENTS TO THE STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT.

Section 670A of the State Dependent Care Development Grants Act (42 U.S.C. 9871) is amended—

(1) by striking "is authorized" and inserting "are authorized",

(2) by striking "1987, 1988, 1989, and", and

(3) by inserting after "1990" the following: "and 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994".

SEC. 302. WAIVER OF EXISTING PERCENTAGE SETASIDE OF ALLOTMENTS.

(a) AUTHORITY TO GRANT WAIVER.—Section 670D(c) of the State Dependent Care Development Grants Act (42 U.S.C 9874(c)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively,

(2) by striking "Of" and inserting "(1) Except as provided in paragraph (2), of", and

(3) by adding at the end the following:

"(2) For any fiscal year the Secretary may waive the percentage requirements specified in paragraph (1) on the request of a State if such State demonstrates to the satisfaction of the Secretary—

"(A) that the amount of funds available as a result of one of such percentage requirements is not needed in such fiscal year for the activities for which such amount is so made available; and

"(B) the adequacy of the alternative percentages, relative to need, the State specifies the State will apply with respect to all of the activities referred to in paragraph (1) if such waiver is granted.".

(b) Sites of School-age Child Care Services.

Section 670D(b)(1) of the State Dependent Care Development Grants Act (42 U.S.C. 9874(b)(1)) is amended by striking "in public" and all that follows through "communities".

SEC. 303. TECHNICAL AMENDMENTS.

(a) USE OF ALLOTMENTS.—Section 670D of the State Dependent Care Development Grants Act (42 U.S.C. 9874) is amended—

(1) in the first sentence of subsection (a)(1) by striking "for fiscal year 1985 and fiscal year 1986",

(2) in the first sentence of subsection (b)(1) by striking "for fiscal year 1985 and fiscal year 1986",

(3) in subsection (b)(2)—

(A) in subparagraph (D)—

(i) by inserting "school-age children," after "diverse", and

(ii) by inserting a comma after "children" the last place it appears, and

(B) in subparagraph (F)—

(i) by striking "Governor" and inserting "chief executive officer of the State", and

(ii) by striking "the provisions of",

(4) in subsection (d)(1) by striking "subsection (a)" and inserting "subsections (a) and (b)",

(5) in subsection (f) by striking ", which prior to the date of enactment of this subchapter, are provided" and inserting "which are provided before the date of the enactment of this subchapter,", and

(6) in subsection (g) by striking "operating activities to be carried out" and inserting "carrying out activities".

(b) APPLICATION AND DESCRIPTION OF ACTIVITIES.—The last sentence of section 670E(c) of the State Dependent Care Development Grants Act (42 U.S.C. 9875(c)) is amended by striking "until September 30, 1987,".

(c) DEFINITIONS.—Section 670G of the State Dependent Care Development Grants Act (42 U.S.C. 9877) is amended—

(1) in paragraph (2)(C) by striking "a person" and inserting "an individual",

(2) in paragraph (7) by inserting "in" after "State" the first place it appears, and

(3) in paragraph (10) by striking "Trust Territory of the Pacific Islands," and inserting "Federated States of Micronesia, the Republic of the Marshall Islands, Palau,".

TITLE IV—AMENDMENTS TO THE COMMUNITY SERVICES BLOCK GRANT ACT

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—Section 672(b) of the Community Services Block Grant Act (42 U.S.C. 9901(b)) is amended—

(1) by striking "is authorized" and all that follows through "1989, and", and inserting "are authorized to be appropriated",

(2) by inserting after "1990," the following: "$451,500,000 for fiscal year 1991, $460,000,000 for fiscal year 1992, $480,000,000 for fiscal year 1993, and $500,000,000 for fiscal year 1994", and

(3) by inserting "(other than section 681A)" after "subtitle".

(b) AUTHORIZATION OF APPROPRIATIONS FOR COMMUNITY FOOD AND NUTRITION PROGRAMS.—Section 681A(c) of the Community Services Block Grant Act (42 U.S.C. 9910a(c)) is amended—

(1) by striking "each of the fiscal years 1987, 1988, 1989, and" and inserting "fiscal year", and

(2) by inserting after "1990" the following: ", $10,000,000 for fiscal year 1991, $15,000,000 for fiscal year 1992, $18,000,000 for fiscal year 1993, and $20,000,000 for fiscal year 1994".

SEC. 402. ELIGIBLE ENTITIES.

(a) DEFINITION.—The second sentence of section 673(1) of the Community Services Block Grant Act (42 U.S.C. 9902(1)) is amended—

(1) by inserting "and" before "any grantee", and

(2) by striking ", and any organization" and all that follows through "1984".

(b) METHOD OF DESIGNATION.—The third sentence of section 673(1) of the Community Services Block Grant Act (42 U.S.C. 9902(1)) is amended—

(1) by striking "In" and inserting "If",

(2) by striking "not presently" and inserting "is not, or ceases to be,",

(3) by striking "Governor" and inserting "chief executive officer",

(4) in subparagraph (C) by inserting after "new area." the following: "In making a designation under this subparagraph, such chief executive officer shall give priority to such organization.", and

(5) by striking "The Governor's" and inserting "Such officer's".

SEC. 403. STATE ALLOCATIONS.

Section 674(a) of the Community Services Block Grant Act (42 U.S.C. 9903(a)) is amended—

(1) by redesignating paragraph (2) as paragraph (3), and

(2) by inserting after paragraph (1) the following:

"(2)(A) Subject to subparagraph (B), if the amount appropriated under section 672 for each fiscal year which remains after—

"(i) the Secretary makes the apportionment required in subsection (b)(1); and

"(ii) the Secretary determines the amount necessary for the purposes of section 681(c),

exceeds $345,000,000, the Secretary shall allot to each State not less than one-half of 1 percent.

"(B) Subparagraph (A) shall not apply with respect to a fiscal year if the amount allotted under paragraph (1) to any State—

"(i) is less that the amount allotted under such paragraph to such State for fiscal year 1990; or

"(ii) exceeds 140 percent of the amount allotted under such paragraph to such State for the fiscal year preceding the fiscal year for which a determination is made under this paragraph."

SEC. 404. DISCRETIONARY AUTHORITY OF SECRETARY.

(a) PLANNING AND DEVELOPMENT OF RURAL RENTAL HOUSING.—Section 681(a)(2)(D) of the Community Services Block Grant Act (42 U.S.C. 9910(a)(2)(D)) is amended by striking "rural housing and community facilities development" and inserting "the planning and development of rural housing (including rental housing for low-income individuals) and community facilities".

(b) ACTIVITIES FOR LOW-INCOME YOUTH.—Section 681 of the Community Services Block Grant Act (42 U.S.C. 9910) is amended

(1) in subsection (a)(2)(F) by striking "recreational activities" and inserting "instructional activities described in subsection (b)",

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and

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(3) by inserting after subsection (a) the following:

"(b) Any instructional activity carried out under subsection (a)(2)(F) shall be carried out on the campus of an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965) and shall include—

"(1) access to the facilities and resources of such institution;

"(2) an initial medical examination and follow-up referral or treatment, without charge, for youth during their participation in such activity;

"(3) at least one nutritious meal daily, without charge, for participating youth during each day of participation;

"(4)(A) high quality instruction in a variety of sports, provided by coaches and teachers from institutions of higher education and from secondary schools (as defined in section 1471(21) of the Elementary and Secondary Education Act of 1965); or

"(B) another high quality recreational activity; and

"(5) enrichment instruction and information on matters relating to the well-being of youth, such as educational opportunities and study practices, the prevention of drug and alcohol abuse, health and nutrition, career opportunities, and job opportunities.".

SEC. 405. COMMUNITY FOOD AND NUTRITION

Section 681A of the Community Services Block Grant Act (42 U.S.C. 9910a) is amended—

(1) by striking subsection (b),

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (a) the following:

"(b)(1) Of the amount appropriated for a fiscal year to carry out this section, the Secretary shall allot funds for grants under subsection (a) as follows:

"(A) From 60 percent of such amount (but not to exceed $6,000,000), the Secretary shall allot for grants to eligible agencies for statewide programs in each State the amount that bears the same ratio to 60 percent of the amount appropriated for such fiscal year as the low-income and unemployed populations of such State bear to the low-income and unemployed populations of all the States.

"(B) From 40 percent of such amount (but not to exceed $4,000,000), the Secretary shall allot for grants on a competitive basis to eligible agencies for local and statewide programs.

"(2) Of the amount appropriated for a fiscal year to carry out this section that remains after making the allotments required by paragraph (1), the Secretary shall allot funds for grants under subsections (a) and (c) as follows:

"(A) From 50 percent of such remaining amount, the Secretary shall allot funds for the purpose and in the manner specified in paragraph (1)(A).

"(B) From 50 percent of such remaining amount, the Secretary shall allot funds for the purpose and in the manner specified in paragraph (1)(B), and for the purposes specified in subsection (c).

"(3) The Secretary may not make a grant to an eligible agency with funds allocated under paragraphs (1)(A) or (2)(A) unless such agency demonstrates to the Secretary that the statewide program such agency proposes to carry out with such grant consists of activities that—

"(A) represent a comprehensive and coordinated effort to alleviate hunger throughout the State involved; and

"(B) will be carried out throughout such State.

"(4) Except as provided in subsection (c), from funds allotted under paragraphs (1)(B) and (2)(B) in any fiscal year, the Secretary may not make grants under subsection (a) to an eligible agency in an aggregate amount exceeding $50,000.

"(c) From funds allotted under subsection (b)(2)(B) for a fiscal year, the Secretary shall make—

"(1) one or more grants, in an aggregate amount of not less than $50,000 and not more than $250,000, to public and private nonprofit agencies to provide, to entities that provide nutrition-related services to low-income individuals, training and technical assistance that focus on nutrition needs that are common to several regions of the United States or that require a national strategy; and

"(2) one or more grants, in an aggregate amount of not less than $100,000 and not more than $500,000, to public and private nonprofit agencies to carry out research and demonstration projects designed to develop knowledge, or demonstrate new approaches, that are relevant to alleviating hunger and malnutrition in the United States. Such grants shall be made to applicants based on—

"(A) the extent to which the proposed projects will effectively alleviate hunger nationwide; and

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"(B) the ability of the applicants to carry out their respective proposed projects.".

SEC. 106. ANNUAL REPORT.

(a) REPORT REQUIRED.—The Community Services Block Grant Act (42 U.S.C. 9901-9912) is amended by striking section 682 and inserting the following:

"ANNUAL REPORT

"SEC. 682. (a)(1) For each fiscal year beginning after September 30, 1991, the Secretary shall, by contract with an entity that is knowledgeable about programs and projects assisted under this subtitle, prepare a report containing the following information:

"(A) The identity of each eligible entity, agency, organization, and person that receives, directly or indirectly, funds to carry out this subtitle in such fiscal year.

"(B) With respect to each particular purpose or activity referred to in section 675(c)(1)—

"(i) the aggregate amount of such funds expended in such fiscal year to achieve such purpose or carry out such activity; and

"(ii) the number of individuals who directly benefited from the amount so expended.

"(2) For any fiscal year beginning after September 30, 1991, the Secretary may, by contract, include in such report any additional information the Secretary considers to be appropriate to carry out this subtitle, except that the Secretary may not require a State to provide such additional information until the expiration of the 1-year period beginning on the date the Secretary notifies such State that such additional information will be required to be provided by such State.

"(3) The Secretary may not carry out this subsection by entering into a contract with any State, eligible entity, agency, organization, or person that receives, directly or indirectly, funds to carry out this subtitle.

"(b) Not later than 60 days after the end of the fiscal year for which a report is required by subsection (a) to be prepared, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

"(1) such report in the form in which it was received by the Secretary; and

"(2) any comments the Secretary may have with respect to such report.

"(c) Of the funds made available under section 681(d), not more than $250,000 shall be available to carry out this section.".

(b) CONFORMING AMENDMENT.—Section 681(d) of the Community Services Block Grant Act (42 U.S.C. 9910), as so redesignated by section 404(b)(2), is amended by inserting ", section 682," after "this section".

SEC. 107. TECHNICAL AMENDMENT.

Section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) is amended by striking "for all Urban" and inserting "For All Urban".

TITLE V—AMENDMENTS TO THE CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985

SEC. 501. ADEQUACY OF SCHOLARSHIPS.

(a) TRAINING ASSISTANCE.—Section 603(b)(1)(C) of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10902(b)(1)(C)) is amended by inserting "(including, at the option of the State, any training necessary for credentialing)" after "credentialing".

(b) LIMITATION.—Section 603(b) of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10902(b)) is amended—

(1) in paragraph (1)(C) by striking "and" at the end,

(2) by redesignating paragraph (2) as paragraph (3), and

(3) by inserting after paragraph (1) the following:

"(2) not more than 20 percent of the funds received under this title by a State may be used to provide scholarship assistance under paragraph (1) to cover the cost of training described in paragraph (1)(C); and".

SEC. 502. DEFINITIONS.

Section 604 of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10903) is amended—

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(1) in paragraph (1) by striking "poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))" and inserting "125 percent of the lower living standard income level",

(2) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and

(3) by inserting after paragraph (1) the following:

"(2) the term 'lower living standard income level' means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary of Labor and based on the most recent lower living family budget issued by the Secretary of Labor;".

SEC. 503. AUTHORIZATION OF APPROPRIATIONS.

Section 606 of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10904) is amended—

(1) by striking "is authorized" and inserting "are authorized",

(2) by striking "each of the fiscal years 1987, 1988, 1989, and" and inserting "fiscal year", and

(3) by inserting after "1990" the following: ", $3,000,000 for fiscal year 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994".

TITLE VI—AMENDMENTS RELATING TO DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR

SEC. 601. AUTHORIZATION OF APPROPRIATIONS.

Section 408(g) of the Human Services Reauthorization Act of 1986 (42 U.S.C. 9910b(g)) is amended—

(1) by striking "$5,000,000" and all that follows through "1989, and",

(2) by inserting after "1990," the following: "$10,000,000 for fiscal year 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994".

TITLE VII—EFFECTIVE DATES

SEC. 701. EFFECTIVE DATES.

(a) GENERAL EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1990.

(b) SPECIAL EFFECTIVE DATES.—(1) The amendments made by sections 101, 207(a), 301, 401, 503, and 601 shall take effect on the date of the enactment of this Act.

(2) The amendment made by section 207(b) shall take effect immediately before October 1, 1990.

(3) Section 646(b) of the Head Start Act, as added by section 110, shall take effect on April 1, 1990.

I. INTRODUCTION

In reporting H.R. 4151, the committee proposes to authorize the Head Start Act, the Follow Through Act, the State Dependent Care Development Grants Act, the Community Services Block Grant Act, Community Food and Nutrition programs, the Child Development Associate Scholarship Assistance Act of 1985, and Demonstration Partnership Agreements Addressing the Needs of the Poor for fiscal years 1991, 1992, 1993, and 1994. All of the programs have the purpose of increasing the ability of individuals and families to become self-sufficient.

II. COMMITTEE ACTION

On March 1, 1990, Mr. Kildee for himself, Mr. Tauke, Mr. Hawkins, Mr. Goodling, Mr. Sawyer, Mr. Grandy, Mrs. Unsoeld, Mrs. Lowey of New York, Mr. Poshard, and Mr. Hoagland introduced H.R. 4151, which was referred to the Committee on Education and Labor.

The Subcommittee on Human Resources held 5 days of hearings on H.R. 4151. Four of the hearings were held in Washington, D.C. and one field hearing was held in Sioux City, Iowa.

On February 20, 1990, a hearing was held on the reauthorization of the Child Development Associate Scholarship Act of 1985 and the State Dependent Care Development Grants Act in Washington, D.C. Witnesses at the hearing included: Dr. Carol Brunson Phillips, Executive Director, Council for Early Childhood Professional Recognition, Washington, D.C.; Ms. Sandra Lamm, Executive Director, New York State Child Care Coordinating Council, Albany, New York; Mr. Dale B. Fink, Senior Project Associate, School-Age Child Care Project, Wellesley College Center for Research on Women, Wellesley; Ms Jill Burkhart, Early Childhood Coordinator, Washington County Board of Education, Hagerstown, Maryland.

On February 21, 1990, a hearing was held on the reauthorization of the Follow Through Act. Providing testimony were: Barbara Willer, Ph.D., Public Affairs Director, National Association for the Education of Young Children; Thomas Schultz, Ed.D., Project Director for Early Childhood Education, National Association of State Boards of Education; Eugene A. Ramp, Ph.D., President, National Follow Through Association; Ann Adams, Ed.D., Follow Through Director, Leflore County School District, Greenwood, MS; and Russell Busch, Ed.D., Director of Grant Programs, Richmond City Public Schools, Richmond, VA.

On March 1, 1990, the Subcommittee held a hearing on the reauthorization of the Community Services Block Grant (CSBG). Witnesses at the hearing included: Eunice S. Thomas, Acting Assistant Secretary for Family Support, Department of Health and Human Services, Washington, D.C.; Michael Barry, Marcus, Iowa; Jack C. Van Newkirk, Superintendent of Schools, York, Pennsylvania; Joseph A. Schlangen, Director of Planning and Allocations, United Way of Greater Milwaukee, Milwaukee, Wisconsin; Fred H. Perabo, Director, Community Affairs, Ralston Purina Corporation, St. Louis, Missouri; Karl Pnazek, Executive Director, CAP Services, Inc., Stevens Point, Wisconsin; Ron Phillips, Executive Director, Coastal Enterprises, Inc., Wicasset, Maine; Evelyn Harris, Director, New York State Community Services Block Grant Program, Albany, New York; and Shirley J. Powell, Executive Director, The Hunger Action Coalition for Southwestern Michigan, Detroit, Michigan.

On March 2, 1990 the Subcommittee on Human Resources held a hearing on the reauthorization of Head Start Act. Witnesses included: The Honorable William F. Goodling, Member of Congress, York, Pennsylvania; Dr. James J. Renier, Chairman and Chief Executive Officer, Honeywell, Inc., Minneapolis, Minnesota; Ms. Eugenia Boggus, President, National Head Start Association, Pittsburgh, Pennsylvania; Dr. Joan Lombardi, Project Director, Head Start Silver Ribbon Panel, Alexandria, Virginia; Ms. Mary Jane Bevins, Director, Child and Family Development Program, Huntington, West Virginia; Ms. Alyce Dillion, Parents in Community Action/Head Start, former Head Start parent, Minneapolis, Minnesota; Mr. Stephen Juan King, former Head Start Student, Gainesville, Florida; Mr. Gary Stokes, Executive Director, Mid-Iowa Community Action, Marshalltown, Iowa.

On March 31, 1990, the Subcommittee conducted a field hearing in Sioux City, Iowa on H.R. 4151. Witnesses incuded: Barbara Kellogg, Multi-Purpose Center and Outreach Coordinator, North Iowa Community Action, Mason City, Iowa; Don C. Maniccia, Executive Director, Hawkeye Area Community Action Program, Cedar Rapids, Iowa; Mike Orfitelli, Activity Director, National Youth Sports Program, St. Ambrose University, Davenport, Iowa; James Smith, Director, State of Iowa Community Action Agencies Division, Des Moines, Iowa; Bette Crumrine, Programs Manager State of Iowa, Community Action Agencies Division, Des Moines, Iowa; Virginia Oberg, CDA Trainer, Woodbury Community Action Agency, Sioux City, Iowa; Janice Neilson, Director, Head Start, Moorhead, Iowa; Janie Moeller, Former Director, Head Start, Sioux City, Iowa.

III. Background and Need for the Legislation

HUMAN SERVICES PROGRAMS GENERALLY

Head Start, Follow Through, and Community Services programs were all established under the Economic Opportunity Act to help address the needs of low income children and families. These programs share a common history, as important contributors in the war on poverty. These programs share a common orientation, working within the local community to address the needs individuals. They share a common goal, that of helping people move from dependency to self-sufficiency. All of the programs included in H.R. 4151, except the Child Development Associate Scholarship Assistance Act, are now authorized under Title VI, Chapter 8 of the Omnibus Reconciliation Act of 1981. When it was enacted in 1984, the dependent care grants program was added as a new subchapter under the "Community Services Program" heading.

In the early 1960s, national statistics showed that one in five Americans lived in poverty. In response to this deplorable situation, President Johnson on March 16, 1964, proposed the Economic Opportunity Act of 1964. Both the House bill, H.R. 10440, and the Senate bill 2642, proposed a separate Federal agency to develop and administer innovative and effective programs to combat the causes of poverty. The Economic Opportunity Act of 1964 established an Office of Economic Opportunity (OEO) in the Executive Office of the President to administer various anti-poverty programs, including the Job Corps, work-training and work-study programs, community action programs, a rural loan program, migrant workers program, a small business loan program, Head Start, Foster Grandparents, and Volunteers in Service to America (VISTA).

The Act stated that the purpose of all of these programs was "to eliminate the paradox of poverty in the midst of plenty . . . by opening to everyone the opportunity for education and training, the opportunity to work and the opportunity to live in decency and dignity." A total of $947.5 million was authorized for these programs in fiscal year 1965.

In 1965 and 1966, President Johnson urged an expansion of the war on poverty. On September 29, 1966, H.R. 15111 was passed by the House and Senate and the Economic Opportunity Amendments

of 1966 were signed into law. In 1967, the Congress undertook a thorough re-evaluation of the federal antipoverty effort and found that the Economic Opportunity Act of 1964 had produced major changes. Youth and adult training programs were consolidated into one comprehensive work training program. Special impact programs were redefined, and four new special programs (Follow Through, Emergency Food and Medical Services, Upward Bound, and Senior Opportunities and Services) were enacted.

In 1969, relatively few changes were made. In 1971, Congress again amended the Economic Opportunity Act. President Nixon voiced several objections and vetoed the bill. These differences were worked out and on September 19, 1972, the President approved the bill and the Economic Opportunity Act Amendments of 1972 were enacted into law.

In 1974, the Congress passed major amendments to the Act. On January 4, 1975, President Ford signed the Head Start, Economic Opportunity and Community Partnership Act of 1974. Under the compromise reached by the House and Senate, OEO became the Community Services Administration (CSA), a newly created independent federal agency to succeed OEO. Essentially, the CSA was to continue the ongoing operation of OEO, subject to various changes created by the new legislation.

The 1974 amendments also required that the agency be headed by a separate director appointed by the President with Senate confirmation. The Director was to be responsible for all policy-making functions including the final approval of grants and contracts. Additionally, these amendments provided for a three-year extension of the operation of all programs through fiscal year 1978.

The 1974 amendments also directed the Head Start funds be allocated to states proportionately based upon each state's relative number of children living in families with income below the poverty line and the relative number of public assistance recipients in each state. The law also required that no state was to receive less funds in fiscal years 1976, 1977, and 1978 than it received in fiscal year 1975. In addition, it also transferred responsibility for administering Head Start to the Department of Health, Education and Welfare.

On November 2, 1978, the Economic Opportunity Act Amendments of 1978 (P.L. 95-568) were signed into law. As enacted, these 1978 amendments extended the Economic Opportunity Act for three more years, set the non-federal share for community action agencies at 20 percent, authorized a new categorical demonstration program and made a number of other minor changes in the law.

On May 19, 1981, the House Education and Labor Committee reported H.R. 3045, the Economic Opportunity Act Amendments of 1981 (House Report 97-69). H.R. 3045, after incorporation into one version of a reconciliation bill which was defeated, was replaced by a version in the Omnibus Reconciliation Act of 1981 (P.L. 97-35), passed on August 13, 1981. In the Reconciliation Act, Head Start and Follow Through were continued for three additional years. However, the Follow Through Act was to be repealed on October 1, 1984.

Under the Reconciliation Act, CSA was abolished and replaced by the Community Services Block Grant (CSBG). This was a com-

promise measure in response to the Reagan Administration's proposed elimination of CSA and transfer of its functions into a social services block grant which contained no mention of the word "poverty." Many CSA activities were continued through the CSBG, which was authorized through fiscal year 1984.

The Human Services Reauthorization Act (P.L. 98-558), enacted October 30, 1984, extened the authorizations for Head Start, Follow Through, and CSBG, as well as several other human services programs, through fiscal year 1986. P.L. 98-558 also established the state grants for dependent care planning and development program and authorized $20 million for this program for each of fiscal years 1985 and 1986. Community Food and Nutrition, a program operated by CSA prior to the creation of the CSBG, also was re-established as a distinct discretionary program and authorized at $2.5 million for each of fiscal years 1985 and 1986.

The 1984 Amendments made several programmatic changes in Head Start and CSBG. For Head Start, the Amendments specified that discretionary funds were not to be combined with funds under other Acts for single discretionary payments unless such funds are separately identified and used for purposes related to Head Start. P.L. 98-558 also prohibited changes in the methods for determining eligibility for low income participants if such changes would reduce or exclude participation of persons in the programs, and specified that priority in designating Head Start agencies for initial or additional appropriations must be given to existing programs unless it is found that such grantees fail to meet specified standards. The Amendments required the provision of training and technical assistance, including specified components, and further mandated that such funds were not to be less than the amount expended in fiscal year 1982 unless appropriations fell below the fiscal year 1984 level. Finally, P.L. 98-558 added language making it explicit that local Head Start programs may provide more than one year of services to children from age three to the age of compulsory school attendance in their states.

For the CSBG program, the 1984 Amendments made permanent previous temporary provisions requiring states that administer the CSBG funds to use at least 90 percent of their allotments to fund "eligible agencies" (called the "pass-through" requirement), and expanded the definition of eligible agencies to include prior CSA grantees as well as Community Action Agencies (CAAs). P.L. 98-558 specified procedures for designating a new agency to provide services in cases where no existing eligible entity exists or where such agencies do not to provide services. It limited the amount of funding available to organization which were not eligible entities during the previous fiscal year to 7 percent of the "pass-through" funds. The Amendments allowed: states to increase the eligibility criteria for participation in the CSBG program to 125 percent of the federal poverty level; expanded the discretionary program by adding training and technical assistance to states to help them carry out their responsibilities under this program; allowed grants, loans, and guarantees to be made to private non-profit organizations applying jointly with business concerns; and established provisions for reviewing funding denials. As noted earlier, the 1984 Amendments established the Community Food and Nutrition dis-

cretionary grant program for public and private non-profit agencies. Finally, the Amendments mandated the Secretary to conduct in several states each fiscal year evaluations of the uses made of funds received under the CSBG program and to report the results annually to Congress.

The fiscal year 1986 Head Start appropriations language (P.L. 99-178) limited fiscal year 1986 funding for Indian and migrant Head Start programs to $76.3 million, the same amount provided in fiscal year 1985.

THE HEAD START PROGRAM

This year marks the twenty-fifth anniversary of the Head Start program. Since 1965 when President Johnson created a pilot program under the Economic Opportunity Act of 1964, Project Head Start has provided more than 11 million children with comprehensive services to address the educational, social, nutritional, health and other needs of preschool-aged children from low-income families to assist them in beginning school on an equal basis with their more advantaged peers. This includes improving and expanding their ability to think, reason and communicate clearly while helping both the child and the family to gain greater confidence, self-respect, and dignity. The program has an impressive record of achievement and a new set of challenges.

When Project Head Start was launched it was a pioneer in a unique approach to helping children, emphasizing strong parental involvement and comprehensive services. Today, while there is burgeoning support for early childhood development programs, Head Start serves as a model for deliverying comprehensive services to children and their families. The challenge Head Start faces in the 1990s is how to balance the need to expand services with the need to maintain and improve quality. This challenge is further complicated by the growing complexities, needs, and demands of today's families. As President Bush said in his State of the Union Address, "Our challenge today it to take this democratic system of ours, a system second to none, and make it better." Head Start faces this same challenge.

As Head Start completes it first twenty-five years it has a record of many accomplishments. A recent study of the Portland Public Schools found that Head Start students are less likely to be enrolled in special education classes and more likely to be enrolled in gifted and talented programs. In some instances, former Head Start participants had significantly higher participation in such programs than the district average. Longitudinal studies such as the High/Scope Educational Research Foundation's Perry Preschool Project indicate that substantially fewer graduates of quality preschool programs are placed in remedial or special education classes, drop out of school, become involved in crime or receive welfare.

Where the evidence is the most dramatic, though, is the positive impact it has had on the lives of so many individuals. For example, Stephen Juan King of Auburn, Alabama testified before the Subcommittee on Human Resources that Head Start was his first step toward full participation in American life. Stephen testified that

his Head Start experience helped provide the foundation for his success. He became the first black editor of the Auburn High School newspaper, received a four-year National Achievement Scholarship, graduated with honors from the University of Florida, served in the Peace Corps, and speaks fluent French and has a solid knowledge of Arabic. After his return from the Peace Corps; Stephen received a four-year doctoral scholarship at the University of Florida where he is currently studying.

The following accounts are from "Head Start Success Stories," a publication of Region V Head Start Training and Technical Assistance Research Center and the Administration for Children, Youth, and Families.

Twenty-four years ago in Huntington, West Virginia Marcia Dodrill began her learning experience in Head Start. She says today "What I loved about the program was the interaction with the other children." Marcia attended Milton High School, where she was a cheerleader and co-captain of her volleyball team before graduation in 1978. She went on to get her associate degree at Huntington College of Business and is currently working as a court reporter in Cabell County, West Virginia.

Little did Phyllis Lewis know her life would undergo a profound change when she enrolled her son in Head Start in Flint, Michigan. In 1980 she was a young mother on welfare, training to become a nurse. At the request of the program's Parent Involvement coordinator, she interviewed for, and was offered the Health Services coordinator position. For the four years that she held this position she performed admirably, leading to the assumption of more responsibilities in the program's handicap services component. She then became the coordinator of preschool programs for the Beecher Community School District. She supervises 35 staff members in program areas such as Alternative Kindergarten, Respite/Resource and Referral, and state funded preschool programs. Phyllis is currently earning a master's degree in Early Childhood Education. She attributes her accomplishments to Head Start's supportive environment.

"To me, Head Start is a microcosm of this country." says Harriet Rohmer, former Head Start Parent and now award-winning publisher in Arcata, California. When her son, now a college student, began attending Head Start in 1974, Harriet observed that the Head Start center did not have any multicultural books, even though most of the center's students were bilingual. The stories in the books did not reflect the students, she explains. "When the students picked up a storybook, they did not see themselves." Soon Harriet introduced bilingual books to the San Francisco School District. Today Harriet owns a publishing company. The company specializes in publishing both traditional and contemporary tales from minority and new immigrant cultures. She says that Head Start "made it possible for me to make something out of my life and for my sone to interact with children from different cultural backgrounds."

It has been 20 years since he attended Banneker Head Start in Kansas City, Missouri, but Henry Gentry still remembers

the old brick building. He also remembers his teacher, who, for Henry, coming from a single-parent home was a role model. Henry says, "through Head Start, I learned that learning was fun." He says his mother's emphasis on the importance of education was also significant in his achievements. As a Lincoln High School student, Henry was elected to the National Honor Society and to a class office, a member of the Chess Club, Math Club, and debate team. At the University of Kansas in Lawrence, he majored in Accounting and Business, maintaining a 3.4 grade point average. For four years Henry was a member of the national nonprofit Inroads program for talented minority students of business and engineering. "It's purpose is to train members for leadership in their communities and corporate America." Henry has graduated and is pursuing a graduate degree.

FOLLOW THROUGH

In February 1967, in a message to the nation, President Johnson proposed the establishment of the Follow Through program to continue the Head Start experience for poor children in the early elementary grades. Subsequently, a national advisory council was formed, which drafted guidelines for the establishment of local projects. The Office of Economic Opportunity (OEO) delegated the administration of Follow Through to the U.S. Office of Education (USOE) and, in September 1967, with $3 million of Head Start funds, grants were made to establish 40 local Follow Through projects.

Follow Through was conceived and began with the goal of making schooling more effective for low-income children and of improving their life chances by building upon the gains these children had made in Head Start. It was intended that Follow Through become a direct service program providing comprehensive services like Head Start and, in fact, it was anticipated that President Johnson would request $120 million in his fiscal year 1969 budget. However, funding constraints resulted in a reduced budget request of only $15 million which, in turn, dictated that a different program format be developed. The result was a design called planned variation which, in essence, was a unique, large-scale effort to test the effectiveness of a range of educational models.

In 1967, Congress also recognized the need for comprehensive services for former Head Start students in kindergarten through third grade by including Follow Through as one of the special programs authorized in Title II of the Economic Opportunity Act (EOA), and did so again in 1969, 1972, 1975, and 1978 with the further reauthorizations of the EOA.

A review of the history of Follow Through reveals a significant difference in perception, between the Administration and the Congress, regarding what the program was designed to do. From the perspective of USOE, and of the current day Department of Education (ED), the program was experimental—designed primarily to develop and test model approaches and to disseminate information on program effectiveness. In contrast, Congress perceived that the primary purpose of the program was the provision of direct serv-

ices to children. For example, the Education and Labor Committee in its 1969 report to accompany H.R. 12321 (Economic Opportunity Amendments of 1969) stated the following:

> Follow Through.—As has been previously indicated in this report the funds earmarked for projects Head Start and Follow Through in the amount of $578 million represents a $188.3 million increase over the amount proposed by the Administration for expenditure on these two programs. During the current year the committee believes an appropriate allocation of funds to these programs in order for them to reach a maximum number of needy children in an effective way would be to provide $458 million for Headstart and $120 million for Follow Through.
>
> Follow Through is designed to capitalize upon and augment the gains children have made in their participation in Headstart programs and other preschool programs. In Follow Through the resources of the school, the community, and the families are brought together in a total way in meeting a child's instructional, physical, and other developmental needs in the early elementary years. In fiscal year 1969, 35,000 children in kindergarten through the third grade were assisted by the program. Proposed budget funding levels for fiscal year 1970 will only enable 62,000 children to benefit from Follow Through projects. The committee feels that, in view of the tremendous need, twice this number should be receiving the benefit of this program during the current year and, accordingly, is providing authorizations to accomplish the goal. (H. Rept. 91-684, page 12)

Additional evidence of the Congress' emphasis on the provision of services comes from the Economic Opportunity Amendments of 1978 (P.L. 95-568). In conference committee, the House agreed to Senate provisions providing new authority for various discretionary activities and the conferees clarified their intention as follows:

> In adopting this comprehensive language relating to evaluation, research, demonstration, and pilot projects, it is the intention of the conferees that the proportion of Follow Through Program funds which are expended on the provision of comprehensive services to eligible children not be decreased. (H. Rept. 95-1766, page 34)

Thus, Congress' vision of a Follow Through program that would grow along with Head Start as a direct program remained unchanged during the late 1960s and the 1970s.

The 1980s proved to be a very difficult period for the Follow Through program. The Omnibus Budget Reconciliation Act of 1981 (P.L. 97-35), the enactment which put into law many of the policies of the Reagan Administration, took the program's authorization out of the Economic Opportunity Act, established the Follow Through Act, and reauthorized it as Subchapter C of Chapter 8 of Title VI of this 1981 act. Unfortunately, this act also provided for decreasing authorization of appropriation levels and the automatic repeal of the Act in 1984.

In spite of efforts by the Reagan Administration, the Follow Through Act was reauthorized in 1984 and again in 1986. However, for most of this decade, the appropriations level for the program hovered around $7 million.

During the 1980s, the Department of Education ignored the need for direct services, preferring instead to make grants only to support pilot and demonstration projects and to argue that the Act was no longer needed. The Department further minimized the impact of the program by amending its regulations to prohibit each funded school district from operating a Follow Through program in more than one school. The result of this reduction in federal commitment is that the program currently serves only about 12,500 children in a relatively small number of demonstration classrooms.

DESCRIPTION OF FOLLOW THROUGH SERVICES

Follow Through operates in kindergarten through the third grade and is specifically designed to consolidate and build upon the gains that low-income children have made in Head Start.

Both in purpose and in operation, it is unique among federal education programs. Follow Through is a complete, full-day educational program providing:

high quality classroom instruction covering basic academic areas—reading, math, language, social studies, arts, and science;

access to health, social, nutritional, and psychological services; and

strong involvement of parents in all facets of the program—design, operation, and evaluation.

Each local program adopts one of the available model approaches and in return is given comprehensive training and technical assistance by the sponsor of that model to ensure proper implementation.

The result is that Follow Through has been very effective. Dr. Eugene Ramp, Executive Director of the Follow Through Association testified that:

> According to the Department of Education reports, Follow Through projects have a significant record of effectiveness when compared with other federal education programs. For example, 70% of Follow Through projects were validated as exemplary and effective by the Department's Joint Dissemination Review Panel, largely based upon achievement data. This represents the largest proportion of validated projects of any federal program. A major independent study conducted for the Department found 'impressive gains in reading, math, and language arts achievement scores' in 90 percent of Follow Through projects studied. Follow Through is also strong in parent involvement. In another study, it was found that this program had 'greater amounts of parent involvement in all aspects of project management and operations' than did any of the other four federal programs studied.

NEED FOR FOLLOW THROUGH

In its testimony on the Follow Through Act, the Department of Education indicated that "[t]he models have been proven effective * * * [t]he only remaining task is for school districts to adopt or adapt the models to their particular circumstances." On this point, the Committee and the Department are in full agreement.

Unfortunately this shared viewpoint does not extend to how the reauthorization of the Follow Through Act should be treated in this bill. The Department's view is that "Follow Through should be recognized as a program that has both achieved its purpose and duplicates other more flexible authorities, and should be allowed to terminate at the end of its current authorization."

Other testimony presented to the Subcommittee, argued strongly and more persuasively that, in fact, the need for Follow Through is greater today then at any other time in history. Dr. Thomas Schultz, representing the National Association of State Boards of Education, informed the Subcommittee on Human Resources that a much higher proportion of students from low-income families are in school today, and that the consequences of poverty on young children are more complex and severe. To illustrate his point, he offered the following evidence:

> the number of children in poverty increased more than 20 percent, from under 10 million to over 12 million, during the period 1979 to 1986;
>
> during this same period, the number of poor black households increased 13 percent, Hispanic 73 percent, and white 23 percent;
>
> 500,000 babies are born to teenage mothers annually, and the percentage of children living with a single parent who has never married has nearly quadrupled since 1970; and
>
> approximately 375,000 infants have been exposed to drugs, primarily crack cocaine, during pregnancy and when these children reach school age, they will fill the equivalent of 12,000 elementary classrooms, or over 80 percent of the current slots available in Head Start.

Additionally, most of the testimony presented to the Subcommittee emphasized that, contrary to the Department's assertion, Follow Through does not duplicate services provided by other programs, such as Chapters 1 and 2 of Title I of the Elementary and Secondary Education Act (ESEA). Because it is designed to serve all poor children with previous preschool experience in full-day, regular classroom settings, Follow Through is preventive in nature and complements other federal programs which address specific eduational needs.

Similarly, Head Start and Follow Through are complementary. A child who has participated in Head Start has increased likelihood of succeeding school and in life, but he/she still needs the benefit of a Follow Through program which will provide: (i) a smooth transition into the early elementary grades, (ii) the kind of comprehensive services that were available in Head Start, and (iii) an instructional program that is appropriate to the age and developmental needs of the child.

As the need for Head Start has increased, so has the need for Follow Through. H.R. 4151 improves the Follow Through Act and provides a steady increase in authorization of appropriations.

COMMUNITY SERVICES BLOCK GRANT PROGRAM

The Community Services Block Grant program (CSBG) is the only federal program with the primary focus of preventing and alleviating poverty. Created in 1981 by the Omnibus Reconciliation Act, CSBG has been successful in sponsoring state and local initiatives aimed at promoting economic self-sufficiency. It provides block grants to states for services and activities and also authorizes discretionary funds to support programs which address the needs of low-income persons with regard to rural housing, national youth sports, community economic development, migrant and seasonal farmworker assistance, and community food and nutrition programs.

A state is required under the Act to use ninety percent of its allocation to make grants to eligible entities which provide services designed to meet the needs of a community's low income population. A vast majority of these entities are nonprofit organizations called community action agencies (CAA's), which currently serve 98 percent of the nation's counties. A central premise of the CSBG is that low income people must be involved in planning programs designed to assist them. This is achieved by requiring CAA's to have a tripartite board, of which one-third of the members are low income people.

A CAA administers programs designed to give a hand up, not a hand out, to those in need. A low income family can turn to a CAA for: job training and placement assistance; child care; life skills training; emergency food and shelter; drug prevention education; weatherization services; and access to other federal assistance programs administered by the CAA.

CSBG funds are also used to leverage substantial amounts from private sources, thereby expanding the reach of the program. For example, leveraging efforts by community action programs, in one state, resulted in an estimated savings of almost $35 million in public expenditures by federal, state and local programs.

STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

The State Dependent Care Development Grants Act was enacted in 1984. It authorizes $20 million for grants to states and requires a twenty-five percent state match. Sixty percent of the funds are used to establish before and after school care while forty percent are to establish resource and referral services to provide information concerning the availability, types, cost and location of dependent care services for young people, the elderly and the developmentally disabled. The funds are distributed to each state based on population, and administrative costs are limited to 10 percent of the state's allotment.

A 1987 Lou Harris poll found that 12 percent of the elementary school children and 30 percent of middle and or junior high school children were left home alone after school. A majority of more than 1,000 teachers interviewed in the survey cited isolation and

lack of supervision after school as the major reason children have difficulty in school. A survey of 500 families in Columbus, Ohio found that over half the parents that left their children at home alone were "not very happy" about doing so. A study by psychologist Laurence Steinberg of the University of Wisconsin found that unattended school-aged children faced "greater risk." That risk, according to Pediatrics Magazine, is alcohol and substance abuse. Other research indicates that these school-aged or "latchkey" children face a greater sense of fear which often leads to troubling dreams. Research by Carollee Howes of the University of California found that children who participate in school-age child care programs were more advanced in social skills while other studies indicate that such services improve a child's math and reading scores.

Testimony before the Subcommittee on Human Resources by the Wellesley College School-Age Project, which conducts research on school-age child care services nationally, indicated that the need for latchkey services is expanding. The testimony further noted that in many communities the State Department Care Development Grants Act was the only source of funding to establish before and after school child care programs.

Less than ten years ago no more than seventy-five resource and referral programs were scattered in individual communities and a few pioneering states throughout the country. These original resource and referral programs emerged as a result of a variety of community needs. Parents were entering the workforce in record numbers and needed child care. Resource and referral agencies responded to the growing needs of families by developing local child care resource files which included significant program information, and provided counseling and consumer education to parents seeking quality child care.

This service was well received by early documentation of the demand for services versus availability of child care exposed dramatic gaps and unmet needs. Child care resource and referral centers, therefore, found it necessary to address the supply side. Services were expanded to include a variety of activities aimed at the recruitment of new child care providers, and providing training and technical assistance to new and existing providers of care.

The child care resource and referral agencies' daily contact both providers and the users of child care enable them to make a significant contribution to the local planning and coordination of child care services.

The availability of State Dependent Care Development Grants Act (SDCDG) funds over the past five years has stimulated the large growth of local child care resource and referral services. Fifteen states have developed statewide networks. There now are resource and referral services in all but two states. Using SDCDG funds, Alaska has developed four new child care resource and referral programs and provided annual training to help them establish core services. This combination of seed grants and training has also been successfully used in Wisconsin, Minnesota, Ohio, Oregon, Washington, North Carolina, and Maine. Some states, including Massachusetts and California, have used the funds to expand and enhance state funded services. In others, such as Illinois, the initial availability of SDCDG funds encouraged state policy makers to

make a large continuing commitment for child care resource and referral services. In fiscal year 1990 the funds are being used in both Arizona and Colorado for a state planning process to address how best to develop and deliver child care resource and referral services.

CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE

The Child Development Associate Scholarship Act was enacted in September of 1986. It authorizes funds to states to provide scholarships to individuals earning below 150 percent of poverty to cover the cost of the credentialing process for the Child Development Associate credential (CDA). The Secretary of Health and Human Services is to provide these grants equitably among states while ensuring that the needs of rural and urban areas are appropriately addressed.

Nearly 12,000 scholarships have been granted over the past three years. Testimony indicates that the CDA Scholarship Assistance Act is, for the first time, bringing the CDA to the family day care community as well as to other child care providers with limited resources.

Since its inception in 1975, the Child Development Associate credential (CDA) has provided a nationally recognized system that has stimulated early childhood training opportunities and documented the competencies of those working with young children. It is a performance-based, professional credential awarded to people who have a demonstrated ability to work with children. It is intended to offer professional development and growth to staff in child care centers. Head Start programs, group home and family day care providers through a credentialing program. While no state requires CDAs as a condition of employment in child care, forty-two states and the District of Columbia list the CDA credential as a qualification for teaching staff and/or directors in child care regulations.

IV. Explanation of the Bill

TITLE I—AMENDMENTS TO THE HEAD START ACT

Authorization levels

In their recommendations to then President-elect Bush, former Presidents Carter and Ford called Head Start "a model that works" and urged expanded funding of the program.

The Committee for Economic Development (CED), an independent research and educational organization of over two hundred business executives and educators, has called for full funding of the Head Start Program. CED noted in their report, "Children in Need" that if present trends continue the nation will face a severe employment crisis. The scarcity of well educated and qualified people in the workforce will seriously damage this country's competitive position in an increasingly challenging global marketplace.

The report concludes that Head Start experiences provide an excellent opportunity for building foundations for the kinds of character traits that can lead to success in formal schooling and the workplace. CED's report notes that in 1986 the nation spent $264 billion on education for children age six and older while spending

about $1 billion on children age five and younger. The report also notes that each year's class of dropouts will cost the nation more than $240 billion each year.

Despite the overwhelming need and support for the program, Head Start has never served more than a quarter of the eligible children in its twenty-five years of existence. The Committee believes that it is time to significantly increase Head Start funding over the next four years.

H.R. 4151 provides for the authorization of appropriations sufficient to enable all eligible three- and four-year-olds and 30 percent of the five-year-olds to participate in the Head Start program by 1994. Estimates of the number of children in poverty and the inflation rate for fiscal years 1991 through 1994 were provided by the Congressional Budget Office. The participation rates are as follows: 35 percent in fiscal year 1991; 60 percent in fiscal year 1992; 80 percent in fiscal year 1993; and 100 percent in fiscal year 1994.

Because information from the Department of Education indicates that 70 percent of five-year-olds attend some type of public education program, it is assumed that only 30 percent of the eligible five-year-olds will participate. While the estimate assumes funding levels which would enable services for all eligible three- and four-year-olds, the Committee recognizes that some eligible three- and four-year-olds may not participate. Therefore, the estimate assumes that funds available as a result of a participation rate of less than 100 percent will be used to pay the additional costs of serving children with disabling conditions as well as any additional costs necessary to improve the quality of the Head Start program. (The cost of serving children with disabiling conditions is twice that of serving other children in the program.) The estimate also assumes that children will be served for multiyears.

The funding estimate assumes a per pupil cost of $3,640 for fiscal year 1991 for a part-day, part-year program. This amount is adjusted for inflation each subsequent year. The annual per pupil cost for 1991 was determined from estimates ranging from (i) the Committee for Economic Development's estimate of $3,500 to $4,000 in 1986 dollars, and (ii) the annual per pupil expenditure for public kindergarten through twelfth grade for a non-comprehensive program of $4,499, and (iii) the National Head Start Association estimate of $4,289 per student.

Head Start quality

H.R 4151 would target a portion of Head Start funds for quality improvement activities in a manner that will ensure that these amounts do not cut into funds needed to maintain the number of children being served.

For the first year, 10 percent of the entire Head Start appropriation would be targeted for quality improvement once the appropriation reaches a specified level. This level is an amount equal to the fiscal year 1990 appropriation adjusted for inflation, plus 10 percent. The trigger is intended to ensure that the set-aside does not take effect unless the appropriation is high enough to guarantee that the set-aside is financed with newly appropriated funds and that it will not cut into funds needed to maintain existing services.

In subsequent years, the quality set-aside would be 25 percent of any funds appropriated in excess of the previous years appropriation adjusted for inflation. In every year, quality funds are to be allotted among the states in accordance with the existing formula.

Once they have been allocated among the states, the bill provides two mechanisms for awarding quality improvement funds to individual grantees in each state. For the first two years, funds will go to each grantee in a state based on the relative number of children being served using the most current data available. After that, the amount each grantee receives will be negotiated as part of the regular process for determining grantee funding levels. However, every grantee must receive a portion of the funds. Quality set-aside funds may be reallocated should a grantee certify it already has sufficient resources to address the purposes for which the quality funds are to be used.

At least half of the funds a grantee receives are to be used to improve salaries, with the remainder available for the following: transportation; hiring additional staff; facilities improvement; insurance; and additional uses related to quality as determined by the Secretary. In accordance with Section 653, salaries cannot exceed the average rate paid for a comparable job in the area. Once comparability has been reached, funds available for salary improvements may be used by grantees for other quality improvement activities.

The Committee wishes to explicitly state that funds made available under Section 640(a)(3) shall be used to supplement and not supplant grants made with funds under Section 640(a)(5). The Committee expects the Department to continue to provide cost-of-living increases under Section 640(a)(5) and that funds under Section 640(a)(3) will not replace such increases. The Committee further expects that the quality improvement funds received by a grantee in a given year and expended for recurring costs such as salaries and insurance will be maintained with funds from Section 640(a)(5) after the first year of such improvements.

The testimony was nearly unanimous concerning the need to target funds for maintaining and improving the quality of Head Start.

> It is imperative, therefore, that as you rewrite the authorization legislation on Head Start, you earmark funds and designate strategies that will strengthen and improve the quality of the overall Head Start program.—James J. Renier, Chairman and Chief Executive Officer, Honeywell, Inc.
>
> I cannot emphasize strongly enough that funds must be provided which will allow the maintenance of the quality of Head Start in addition to funds for expansion.—Janie L. Moeller, former Head Start Director, Sioux City, Iowa.
>
> I feel very strongly monies need to be set aside in the [r]eauthorization of Head Start to enhance and maintain several areas before we can expand the number of children served.—Janice Nielson, Director, West Central Development Corporation Head Start, Moorhead, Iowa.

> It is imperative that as Head Start is reauthorized and additional money appropriated, that as much emphasis is paid to raising quality as to broadening access.—Frank P. Doyle. Senior Vice President, General Electric Corporation, before the Joint Economic Subcommittee on Education and Health.

The per pupil expenditure for Head Start decreased by 13 percent between 1981 and 1989 and witness after witness spoke of how this lack of resources is taking a serious toll on the ability of Head Start programs to respond to the changing needs of a growing population of poor children.

For example:

many Head Start programs operate in facilities that are not designed for children and in some instances are unsafe;

some Head Start agencies have been forced to eiliminate transportation in rural communities when many children have no other means of transportation;

staff shortages exist in such critical areas as parental involvement, health, and social services at a time when the need for additional trained staff is increasing;

costs for facility improvement, transportation and insurance have risen dramatically; and

even though the Department is spending more for training than is required in 1990, it is still spending only about half of what it spent in 1978 when adusted for inflation.

At the same time that Head Start programs are facing difficult choices concerning the use of limited funds, the needs of the children and families being served are multiplying.

As Dr. Renier pointed out:

> Evidence suggests that the target population for Head Start is becoming more entrenched in poverty and that the cycle of poverty for this group is becoming harder to break. The poverty rate for children has increased by 31 percent in the last year, and young families in poverty are more tightly entwined in their circumstances. Poverty among young families—those headed by someone under 30—was 35 percent in 1987—a 72 percent rise since 1973. There is also an alarming growth in the number of physically, emotionally, and mentally damaged children among poverty level families. In some inner city hospitals, as many as 50 percent of all babies are being born addicted to crack or cocaine or affected by fetal alcohol syndrome. The doctors tell us that these babies do not get better as they get older.

The setaside requires that at least half of the funds be used for salaries because that is the area of greatest need. Department of Health and Human Services data shows that 47 percent of Head Start teachers make less than $10,000 a year. Eugenia Boggus, President of the National Head Start Association, testified that salaries are so low that a 10 percent increase above inflation would only increase the salary of the average Head Start teacher to $14,000. Ms. Boggus stated further that:

> * * * [t]he low salaries in Head Start today will make it increasingly difficult to recruit and retain staff with needed skills. Without specific initiatives to improve salaries, children who most need the comprehensive, high-quality preschool experience will suffer. The people who work for Head Start have never done so because of the high wages, but they must be paid living wages.

Dr. Renier reinforced this concern:

> Without a stable and well-trained staff, Head Start programs cannot adequately deliver the services that are a hallmark of the program: Intensive parental involvement, integration of health and human services, safe and nurturing surroundings, and a substantive and developmentally appropriate educational curriculum. Under current funding levels and guidelines, the compensation level of Head Start teachers is unconscionably low, and the employee benefits, such as health insurance and pensions are largely nonexistent.

Equally compelling cases can be made for the other activities for which these funds are to be used:

> seventy-one percent of Head Start programs nationwide have a social services coordinator caseload of 61 to 1 at a time when a recent Department of Health and Human Services taskforce recommends a caseload of 35 to 1;
>
> seventeen percent of Head Start programs lack a full-time social service coordinator; 12 percent lack a full-time health coordinator; and 18 percent lack a full-time parent involvement coordinator.
>
> testimony before the Head Start Silver Ribbon Panel indicates that many landlords are no longer willing to give donated space to Head Start programs and, in many cases, are charging commercial rates for rent; and
>
> the lack of transportation is a disincentive to parent involvement and a barrier to obtaining both medical and job training opportunities.

Administration of program

During the last reauthorization of the Head Start Act in 1986, both the House and Senate committee reports contained language which strongly reaffirmed the intent of Congress to ensure that the decision to serve a child for more than one year remain the prerogative of local Head Start programs which best understand the special needs of children and their families in their communities. Prior to that, Section 645(c) of the Head Start Act was included to explicitly state that local Head Start grantees may provide more than one year of services to eligible children from age 3 to the age of compulsory school attendance.

Nevertheless, when the Department issued its 1990 funding guideline on February 6, 1990, it limited the ability of local Head Start programs to serve a child for more than one year. The guideline read, "Expansion funds should not be used to provide a second year of services to current Head Start enrollees." In contrast, Sec-

tion 645(c) of the Head Start Act states "Each Head Start program operated in a community may provide more than one year of Head Start services."

The Committee strongly reaffirms the intent of Section 645(c) to permit children to be served for more than one year by clarifying that the Secretary may not issue or enforce any rule or guideline which forbids any Head Start Agency to carry out a Head Start program in accordance with the authority described in 645(c). The decision to serve children for more than one year, in accordance with familial needs, must remain at the discretion of each local Head Start grantee. The Committee notes that the authorization levels proposed by H.R. 4151 make possible the goal of providing every eligible child ages three to five the opportunity to participate in Head Start as well as to participate for the number of years the local grantee considers necessary. The Committee also wishes to emphasize that all program expansion funds allotted under Section 640 are to adhere to the identical administrative requirements, standards, and program requirements as govern Section 640(5) of the Act.

The Committee also believes that the recommendations included in the Department's Task Force Reports on Parent Involvement and Social Services Components are sound and should be utilized by the Administration for Children, Youth and Families in planning for the expansion of the program.

In addition, while the minimum amount of funds which must be spent for 640(a)(2) (A) and (C) have been increased from the 1985 funding level to the 1990 level, the Committee wishes to make clear its intent that these are minimum levels of funding and that the funding to meet those needs should increase as the need for these program activities increase.

The Committee further recognizes that an adequate number of qualified federal staff must be in place to accomplish the large expansion of the Head Start program anticipated over the next four years. Additional administrative support and technical assistance to grantees both at the national and regional level will be necessary to establish and maintain grant management.

Migrant Head Start programs

The Committee believes that it is important for the Migrant Head Start Program to be administered at the national level given the complex task of providing services to migrant children. It is also important that migrant children continue to have access to services from birth to the age of compulsory school attendance.

Report/Study/Evaluations

H.R. 4151 includes three new requirements to increase the data on the Head Start program. First, the existing annual reporting requirements are expanded to include information on all children participating in Head Start in addition to handicapped children. Second, the bill requires the submission of a comprehensive report to the Congress by January 1, 1994 and a interim report by July 1, 1993. The comprehensive report is to include both an analysis of the data collected in the annual report as well as additional information in preparation for the next reauthorization.

The Committee expects that both the annual and comprehensive reports required under sections 640(d) and 640A will be thorough and substantive in nature. The Committee wishes to clarify that when providing information on eligible children within these reports, the Department should include migrant and Indian children. This is particularly important as reliable data on the total population of these children is currently unavailable.

H.R. 4151 authorizes such sums as may be necessary for fiscal years 1991 through 2011 to conduct a twenty year longitudinal study of the Head Start program. The Committee expects the study to be based on the national population and various subpopulations. The High/Scope Educational Research Foundation has recommended using a minimum of four subpopulations of 1,000 participants each. The Secretary and advisory panel should take into account the need for greater numbers of participants due to the length of the study.

Indian eligibility

The Committee wishes to call the Secretary's attention to a unique situation which has developed on reservations of federally recognized Indian Tribes as a direct result of federal actions. Due to several federal initiatives (including tribal setasides under the Vocational Education Act, the Vocational Rehabilitation Act and several Interior Department programs for economic development) tribes are making real progress in moving adults into tribal enterprises and jobs and away from reliance on federal assistance programs. However, most of these jobs are entry-level and pay minimum wage thereby creating a pool of children of these parents who are still educationally and socially deprived, but marginally ineligible for Head Start due to increased family income. The Committee urges the Secretary to work with the Tribes and the Department of Interior to develop modified eligibility criteria for use on Indian reservations, so that we can encourage this laudable trend of increased employment, and not penalize the children of such families.

Training and technical assistance

The Committee encourages the use of new funds to provide grantees with the necessary administrative support and technical assistance to maintain and improve program quality. The Committee expects that training funds would be used for staff working in all components of the program, including education, parent involvement, social services, health and nutrition.

The Committee encourages the Secretary to develop a national training and technical assistance program which will bring the results of the most recent biomedical, behavioral, and other research to Head Start staff. Recent behavioral studies, including the Child Care Staffing Study, have reaffirmed the relationship between quality services and specialized training. Such training could provide an understanding of the most recent developments in health, mental, safety, nutrition, special needs, infant development and the importance of partnerships with parents.

In order that training funds strengthen the quality Head Start staff, the Committee intends that they be used not only to help

teachers and other staff earn a beginning credential, such as the Child Development Associate credential (CDA), but to further their professional development beyond such a beginning credential. Salary schedules should be established to recognize staff who pursue such additional training. The Committee strongly supports the Department of Health and Human Services' pending regulation to require a teacher with a CDA or early childhood development degree in each classroom by 1994. However, sufficient funding for training must accompany this important regulatory change.

The Committee recognizes that appropriate or specialized Head Start training resources may not be readily available in all communities and encourages the establishment of training networks, such as resource and referral centers to ensure that all programs have access to high-quality appropriate training.

Local Flexibility

Local flexibility has long been a hallmark of the Head Start program. Allowing grantees to develop a program which addresses the needs of their local community has been a significant factor in Head Start's success. H.R. 4151 addresses the need to expand this flexibility in two critical areas.

First, to better enable local grantees to respond to their community needs, the bill directs the Secretary to develop guidelines for locally designed or specialized programs to address unique or specialized community needs. Second, it calls for a study of the effectiveness of using family day care providers to deliver Head Start services. The Committee expects the study to include a sufficient number of family day care providers which serve children from birth through the age of compulsory school attendance. The family day care study should be designed to determine whether Head Start comprehensive services can be effectively provided in family day care settings and what program characteristics, including costs, are necessary to provide effective, comprehensive Head Start services in this setting. H.R. 4151 does not mandate that Head Start services be provided in family day care settings. The study is intended simply to determine whether such services could effectively be provided in such settings.

Parent education provisions

The reauthorization legislation provides that the Secretary give consideration to a prospective grantee's past performance in providing comparable services when designating new Head Start agencies. The legislation also reinforces that grantees should involve parents in appropriate education services in order that they may aid their children to attain their full potential. Grantees are encouraged to promote the involvement of parents in the educational activities of their children in ways that will be mutually beneficial. Grantees also are encouraged to make efforts to assist parents, through appropriate referrals, in obtaining the necessary education and training to become active participants in their communities. These provisions do not mandate the use of federal funds to provide educational services to parents beyond that required in the Head Start performance standards in Section 651(b).

H.R. 4151 also strengthens the existing provision which directs Head Start programs to coordinate with the schools that will subsequently be serving Head Start participants. The Secretary should encourage grantees, as appropriate, to indicate how they plan to prepare children and families for the transition to elementary school.

Appeals

H.R. 4151 clarifies that each grantee may request timely hearings. The legislation further clarifies that grantees will continue to have certain rights which are currently provided to them under the existing appeals process. These rights include: the right to a in-person hearing; the right to have the issues to be discussed at the hearing finalized before the hearing takes place; and an opportunity to take depositions as part of the pre-hearing process. The effect of these amendments is simply to continue current practice in these specific areas and does not affect the ability to the department to make other modifications in the appeals process.

Parent child-centers

The Parent-Child Centers (PCCs) came into existence in 1967 as a result of the White House Task Force on Early Childhood Development. The Task Force recommended, and President Johnson requested, that the Congress support the establishment of programs for economically disadvantaged families with children under three years of age. The new programs established were known as Parent-Child Centers.

The purpose of Parent-Child Centers is to provide early childhood intervention programs to enhance the development of children from birth to age three. The Centers are also intended to strengthen the family unit by providing opportunities for increasing parents' skills and knowledge of their own children's development. The Parent-Child Centers provide comprehensive services, such as health, education and social services to low-income families. The programs focus on preventing deficits in the child's development and strengthening the family unit by emphasizing parental education and the development of parenting skills. They also provide opportunities for the parent, who usually has less than a high school education, to move toward economic self-sufficiency. Currently, there are 37 Parent-Child Centers in operation throughout the country. The programs serve approximately 4,500 and their families at a cost of $15 million annually.

Earlier this year, Dr. T. Berry Brazelton, a pediatrician as well a prominent child and family advocate, testified in support of expanding Parent-Child Centers. Brazelton said,

> I am aware that starting at age three with children at risk is late and is not as effective as it might be at an earlier age. Therefore, I would strongly recommend that the Head Start authorization be increased sufficiently so that more resources can be devoted to eligible children between birth and age three.

Another witness, Mary Jane Bevins, Director of the Child and Family Development program in Huntington, West Virginia, told

the Subcommittee on Human Resources that "We in the Head Start program discovered that children aged three to five who were enrolled in the program were found to be suffering from nutrition, health and developmental deficits." Therefore, "[i]t is unreasonable to expect Head Start programs, no matter how effective, will be able to correct those deficiencies. We concluded that earlier intervention was necessary to prevent such deficiencies from occurring, rather than attempting to treat them later."

It is the Committee's belief that the Parent-Child Center amendment is warranted for several reasons including the fact that one out of every five children in the U.S. lives in poverty. Growing numbers of children are born with signs of drug or alcohol addiction, gang warfare is rising, school dropouts and teenage pregnancies are increasing every year. It is imperative that we provide appropriate prevention strategies earlier rather than attempting to deal with them later when they are larger and more serious.

The amendment provides for a modest expansion of the Parent-Child Centers. It requires the Secretary to reserve $30 million for fiscal year 1991 for expansion of existing programs or establishment of new programs within a state. The Secretary is also required to reserve $31,200,000 in fiscal year 1992, $32,448,000 in fiscal year 1993 and $33,745,920 in fiscal year 1994 for this purpose. The amendment also provides that the allotment made to each state be no less than the amount expended in fiscal year 1990 for carrying out the program. The Committee would encourage the continuation of services to children and families who receive services through parent child centers after the eligible child or children have reached the age of three. This would provide continuity in services so critical to a young child's development.

The Committee is especially concerned about the 13,000 infants and toddlers currently being served in Head Start programs, and the additional infants and toddlers which will be able to participate through the expansion of services to this age group. The Committee strongly urges the Department, after an opportunity for public comment, to publish age-appropriate Head Start performance standards for programs serving infants and toddlers. These standards should be no less comprehensive in scope than those that have been developed for children age three to the age of compulsory school attendance. They also should recognize a variety of settings in which infants and toddlers are served by describing age-related, developmentally appropriate practices specific to the type of Head Start service provided (such as Parent-Child Centers, migrant Head Start programs, family day care, etc.) The absence of these standards jeopardizes the delivery of quality services for this critically important population.

Services in rural areas

In an effort to allocate funds appropriated by Congress for Fiscal Year 1990 for Head Start expansion, the Head Start Bureau has developed a funds allocation plan based on need—those communities having the greatest unmet need will be allotted a specific amount of funds. Those grantees with lower unmet needs will not be given a specific allocation, but will instead be required to compete for a share of their State's expansion dollars.

Because "unmet need" is basically defined as the number of unserved children in that community, the allocation formula heavily favors those communities with large numbers of four-year-olds. This definition places small and rural communities, where the absolute numbers of eligible children are not great enough to automatically entitle them to a share of expansion funds, at a relative eligibility disadvantage. Instead, grantees in these communities, where the percentage of unserved children may be much higher than in those areas meeting the operational definition of need, must compete with each other through a competitive grants process for funds to serve additional children.

The Committee wants to make it clear that it is not the intention of this bill or any previous authorization to encourage the use of a formula for all the allocation of Head Start expansion funds that places grantees serving rural and small communities at a relative disadvantage in obtaining those expansion funds.

TITLE II—AMENDMENTS TO THE FOLLOWING THROUGH ACT

General explanation

The amendments to the Follow Through Act contained in Title II of the bill make substantial improvements in the current law. First, the Act is divided into three parts: Part I—Direct Services; Part II—Program Improvement; and Part III—General and Administrative Provisions. The purpose of this change is clearly establish that the provision of direct services under Part I is the centerpiece of the program. This is supported by a new provison requiring that 70 percent of the annual appropriation be allocated to carry out Part I.

Part II, Program Improvement, receives the remaining 30 percent of the annual appropriation and authorizes or requires a variety of activities including research, evaluation, technical assistance and training, resource and expansion, and a national clearinghouse.

Part III, General and Administrative Provisions, contains a new section 667 regarding authorization of appropriations as well as the financial assistance requirements from current law. Section 667(a) authorizes to be appropriated $20 million for fiscal year 1991, $30 million for fiscal year 1992, $40 million for fiscal year 1993, and $50 million for fiscal year 1994. While these authorization levels, in fact, could easily have been increased into the hundreds of millions of dollars and been justified based upon the need for Follow Through services, the Committee felt that it was programmatically prudent to provide for a more gradual increase. The other provision in Part III is a new requirement regarding participation in other educational activities and is discussed later in this explanation.

Direct services

As discussed above, the Act is amended to highlight the provision of direct servics by placing all of the related provisions in a new Part I. Taken together, these amendments seek to codify important steps and relationships (e.g., the selection of a model approach and

a sponsor), as well as options (e.g., summer programs) in the development and operation of successful Follow Through programs.

The basic authorization for services in current law, section 662, is retained and expanded by section 202 of the bill to include new requirements. The first requirement provides that the Secretary may not refuse to provide assistance to an applicant solely because it proposes to extend its program to provide Follows Through instruction and services during a period when school is not in regular session. The Committee believes that, if Follow Through is to grow and accomplish what it is intended to do, it is important that local programs have the opportunity to operate during the summer months, or other time of the year if a school district has split sessions. The value of programs operated during these periods is that they substantially minimize the loss of knowledge and skills that Follow Through students otherwise experience between regular school sessions.

The second new requirement provides that the Secretary may not refuse to provide assistance to an applicant solely because it proposes to operate a program in more than one school. This constitutes a reversal of the current Department of Education policy at 34 CFR § 215.4(b). If Follow Through is to have maximum impact, school districts must be permited to operate programs in more than just one school.

The third requirement provides that (i) the Secretary shall provide sufficient funds to enable programs to meet the requirements of section 662(c) of the Act and (ii) each grantee shall receive at least $200,000 when the appropriation for the Act exceeds $15 million. Currently, the Department provides very small grants, frequently under $100,000. At these levels of funding, it is virtually impossible for local programs to provide the whole range of required services. Under this new requirement, the Secretary must make funding decisions based upon what grantees need and can properly justify in their applications. The grant floor of $200,000 was included based upon an estimate of what a very small program would need to operate a quality program. This amount should not be viewed as an adequate minimum for larger programs.

Finally, section 202 of the bill amends section 662 of the Act to clarify that local programs must adopt one of the Follow Through models for which technical assistance and training is provided under the new section 664A of the Act.

Section 203 of the bill establishes a new section 663 in Part I of the Act. This new section delineates aplication requirements for a grant under Part I. Paragraphs (6) and (7) requires that an applicant have decided which model approach it intends to adopt and to provide evidence that the applicant has made a formal arrangement to receive training and technical assistance from the sponsor of that model.

Paragraph (8) requires that the instructional program of the applicant is developmentally appropriate for the children. This was included because the benefits of a local program are minimized if the program is required by the school district to use whatever textbooks or other materials are on hand regardless of whether they are compatible with the model being implemented.

Paragraph (9) provides that the applicant must certify that the application has been approved by the local Follow Through parent committee. The Committee believes that this is one of the most important improvements in the bill. Through its emphasis on parent participation. Follow Through very naturally promotes substantial involvement, pride in the program, and feelings of empowerment on the part of the parents. Not surprisingly, there is a strong correlation between the quality of programs and the level of parent involvement in program decisionmaking. This provision is designed to ensure that parent participation is taken seriously by applicant school districts.

Paragraph (10) requires the applicant to describe how it proposes to coordinate Follow Through sevices with those under Chapter 1 of Title I of ESEA, the Bilingual Educational Act, and the Education of the Handicapped Act. This is a very important provision since these programs are designed to be complementary but can, in their implementation, be disruptive of the basic program, which is this case is the Follow Through program. Thus, the challenge for the applicant is to demonstrate, consistent with all requirements, that its administration of these programs will add to the impact of the Follow Through program.

Paragraph (11) requires the applicant to provide evidence that it has formally arranged with local Head Start programs for the effective transition of Head Start children into kindergarten. This can be a very confusing and traumatic change for these children if Head Start programs and school districts do not work together. Thus, this provision requires the establishment of a formal agreement regarding how the children are helped during the transition. This agreement may govern not only what activities will take place but also what records will be transferred, etc.

Paragraph (12) requires the applicant to describe what impact the Follow Through program has had (or is expected to have) on the regular school program. Since Follow Through is actually an agent for school reform, this is an important requirement.

Research

Section 204(a) of the bill strikes section 664 of the Act (Research, Demonstration, and Pilot Projects) and substitutes a new section which simply authorizes the Secretary to make grants to conduct research (i) to improve Follow Through models, and (ii) to meet the speical needs of eligible children. This new authority also requires the Secretary to give priority consideration to applicants that have experience in developing, adminstering, or evaluating Follow Through programs or models.

The intention of the Committee is to provide a simple, straightforward research authorization and to eliminate the Secretary's pilot and demonstration authority.

Technical assistance and training

Section 204(a) of the bill amends the Act to establish a new section 664A directing the Secretary to make grants to public and private nonprofit agencies, institutions, and organizations to provide technical assistance and training regarding the implementation and operation of programs using Follow Through models. This is,

in essence, an explicit authorization of the services which Follow Through sponsors have traditionally provided to local programs which adopt their respective models.

It should be noted that this authority is directive, as opposed to the permissive authority for research, evaluation, and resource and expansion. Therefore, this section should be accorded priority treatment among the program improvement activiites in Part II, especially in regard to allocation of the 30 percent of the total appropriation available to carry out this part.

It is the Committee's intention that this assistance not be limited to Follow Through programs, buy may be provided upon request to other programs (e.g., Chapter 1 schoolwise projects) that decide to adopt a Follow Through model approach.

Resource and expansion

Section 204(a) of the bill amends the Act to establish a new section 664B authorizing the Secretary to make grants to school districts operating Follow Through programs which have been deemed effective or exemplary by the Department. This assistance will enable these exemplary local programs to develop and provide information (including on-site presentations to visitors) on how and why their programs work. Additionally, this assistance will enable these programs to promote the adoption of Follow Through elsewhere and to assist the sponsors in providing technical assistance and training. The Committee's intention is that there be active and full cooperation between these grantees and the sponsors related to the promotion and adoption of the various model approaches.

National clearinghouse

The Committee has not been satisfied with the manner in which the Follow Through Act has been treated by the Department. Information on the program is not disseminated unless it is done by Follow Through programs. That being the case, the bill requires the establishment of a clearinghouse (given a sufficient appropriations increase) for this purpose.

Section 204(a) amends the Act to insert a new section 664C directing the Secretary, when the annual appropriation exceeds $19 million, to make a grant to an organization representing Follow Through programs and sponsors for the purpose of establishing a national clearinghouse on Follow Through Programs. This clearinghouse will provide information to the public concerning (i) programs receiving Follow Through grants (including basic information on each program), (ii) the various Follow Through models, (iii) the kinds of training and technical assistance available from the sponsors of the models, as well as how such assistance is obtained, and (iv) Follow Through research and evaluations.

The Secretary is also required to assist the establishment of the clearinghouse by providing copies of all research and evaluations that have ever been performed with the assistance of Follow Through funding.

This new section 664C also contains a provision designed to promote better dissemination of Follow Through information by the National Diffusion Network (NDN). While the Department has repeatedly argued that this is being done, testimony presented to the

Subcommittee clearly shows that Follow Through has received very little attention from NDN. In order to improve this situation, section 664C(c) requires the Secretary to promote awareness and use of Follow Through models by informing NDN grant recipients (i.e., state facilitators) of what kinds of information the national clearinghouse maintains and by providing information from the clearinghouse to such NDN grant recipients free of charge.

Finally this new section provides that from funds available to carry out Part II, the Secretary shall annually (i) distribute $100,000 to NDN grant recipients (i.e., state facilitators) to pay the cost of disseminating information on the Follow Through models, and (ii) fund the clearinghouse at not less than $300,000. These distributions also are subject to the $19 million trigger.

This is an important requirement for several reasons. First, the Committee intends that the clearinghouse do more than maintain standard reports and descriptions related to the models, local programs, research, and evaluations. The clearinghouse, because it is operated by a Follow Through related organization, will be able to respond to a wide range of information requests and provide potential applicants with assistance and advice on which model they should adopt given their programmatic requirements, as well as which sponsor to contact. The Committee intends that the clearinghouse should interact and coordinate its activities with the Educational Resources Information Center (ERIC), NDN state facilitators, Chapter 1 technical assistance centers, and national associations related to preschool and elementary and secondary education.

Participation in other Federal activities

Section 208 of the bill amends the Act to establish a new section 669A which directs the Secretary to facilitate the participation of the Follow Through sponsors and resource and expnasion grantees in training and technical assistance activities carried out under other federal education programs.

Through the implementation and evaluation of the models, Follow Through has a wealth of information regarding effective instructional practices and services related to elementary age children which the sponsors have wanted to share with other programs. However, to date, the Department has been uncooperative in arranging for Follow Through sponsors to do such things as make presentations at Chapter 1 technical assistance conferences. For this reason, the Committee included this new provision with the intention that the Department would become more helpful.

TITLE III—AMENDMENTS TO THE STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

H.R. 4151 makes two changes to the State Dependent Care Development Grants Act. The first would enable the Secretary, upon the request of a state, to waive the requirement that 60 percent of the funds be spent for the development of before and after school services and 40 percent of the funds be expended for the development of resource and referral programs. The waiver may be approved only for a single fiscal year at a time and the state must demonstrate how the revised percentages will meet the need for school-

aged and resource and referral services in the state. In providing the Secretary with the authority to grant a waiver, the Committee recognizes that states may have resources from other sources which they wish to take into account in the allotment of Dependent Care funds. However, the Committee does not intend the use of the waiver to result in a reduction of services.

The second change eliminates the requirement that before and after school services be located only in public or private school facilities or in community centers. This provision is included in the bill in recognition of the fact that there may be circumstances where a local community desires to locate such services in a facility other than a public or private school or community center. However, it is not intended to shift the focus away from the use of these facilities. Public or private schools and community centers often can provide convenient low cost facilities and play areas which keep the cost of services affordable for parents.

TITLE IV—AMENDMENTS TO THE COMMUNITY SERVICES BLOCK GRANT ACT

H.R. 4151 reauthorizes the Community Services Block Grant (CSBG) and Community Food and Nutrition Program (CFNP) for four additional years. In addition to increasing the CSBG authorization level to $500 million over four years, the bill includes an increase in the minimum state allocation, mandates data collection, enhances the definition of the discretionary program providing activities for low income youth, and modifies the definition of an eligible entity. The bill increases the authorization level for CFNP to $20 million over four years and provides funds for technical and training assistance and research and demonstration projects.

Authorization of appropriations

H.R. 4151 would authorize $451.5 million for the CSBG in 1991, $460 million in 1992, $480 million in 1993, and $500 million in 1994. The Committee continues to be impressed by CSBG's success in assisting the low income to realize their full potential by applying comprehensive solutions to the problems of poverty.

Unserved areas

H.R. 4151 amends Sec. 673(1) of the Act to require that priority be given to nonprofit private organizations governed by tripartite boards when designating an eligible entity to serve an unserved area, or one which was previously served under the Act. This provision preserves the basic premise of the Act—that the most effective programs designed to assist low income people are those which low income people help develop.

Increase in the minimum State allocation

Testimony presented to the Committee indicated a need to increase the minimum state allocation in order to enable smaller states to effectively carry out the mandates of the Act. H.R. 4151 increases the minimum state allocation from the current one-quarter of one-half of one percent once the appropriation for the basic block grant to states reaches $345 million. The trigger level not

only ensures that no state will be adversely affected by the change in the minimum allocation, but that all states will benefit from increased appropriations. To this same end, the change in the minimum allocation is in effect, phased-in. In a given fiscal year, no state can receive an increase of greater than forty percent of its pervious year's allocation. It is not the Committee's intent that the increase in appropriations for the block grant be achieved by reducing the appropriations for activities authorized under Sec. 681(a) of the Act.

Planning and development of rural rental housing

Under present practices, the rural housing discretionary program primarily focuses on repairing existing housing. It has come to the Committee's attention that in some areas of the country, such as Northern Worcester County in Massachusetts, this kind of assistance is inadequate because few low income people own their homes. Their greatest need is low cost rental housing. The amendment would add to the activities currently performed by rural housing projects by allowing them to provide technical and follow-up assistance to groups applying for funding to build low income rental housing, and it would allow the rural housing project to become involved in the actual development of the low income rental housing.

Construction and purchase

The Committee is aware that as rents continue to escalate and the number of nonprofits continues to grow, affordable operating space for eligible entities is becoming increasingly scarce in small rural communities as well as in large urban areas. Eligible entities are prohibited from using CSBG funds for the purchase and improvement of real property; however, states can apply to the Department of Health and Human Services (HHS) for a waiver of this provision.

The Committee applauds HHS for its responsiveness to applications for waivers and urges the Department to disseminate materials to better inform grantees and subgrantees of their right to seek a waiver to use CSBG funds to help relieve the growing demand for affordable office space.

Community food and nutrition program (CFNP)

H.R. 4151 would reauthorize CFNP for four years at funding levels of $10 million in FY 1991, $15 million in 1992, $18 million in 1993, and $20 million in 1994. The Committee believes that the CFNP authorization level should be significantly increased since hunger, particularly among low income children, is a serious national problem. There are more than 12 million children living in poverty and one national study estimates that there are two to five million children hungry at any given point in time and that as many as eight to nine million children are at risk of hunger. CFNP is designed to alleviate hunger in the general population but also specifically among children through expanding participation in child nutrition programs in unserved and underserved areas. Another unique aspect of CFNP is that the program acts as a catalyst to attract other public and private resources in the fight against

hunger. HHS Secretary Louis Sullivan has noted that in FY 1990 $2.4 million in CFNP funds mobilized more than $6 million from other public and private sources.

In addition to increasing the authorization level for CFNP, H.R. 4151 clarifies that CFNP funds allocated for statewide programs must represent a comprehensive and coordinated effort to alleviate hunger throughout the State. It is not the Committee's intention that these funds be substituted for other CSBG funds, or simply distributed among local agencies that do not have the benefit of comprehensive, statewide coordination.

H.R. 4151 also provides funds for training and technical assistance as well as research and demonstration projects under CFNP. In recognition that hunger is a national problem that needs a national strategy, these programs would have a national focus. Appropriations in excess of $10 million would be divided equally for statewide programs and competitive grants. From the money designated for competitive grants, the Secretary would award one or more grants for technical and training assistance relevant to needs to several regions of the country equalling an aggregate amount of not less than $50,000 and no more than $250,000. The Secretary would also award one or more grants for research and demonstration projects equalling an aggregrate amount of not less than $100,000 and no more than $500,000, for programs designed to alleviate hunger nationwide. Although the Committee does not specify what types of projects are to be funded, possible examples include: expanding the Community Childhood Hunger Identification Project (CCHIP); analyzing what schools produce the highest quality, low cost meals and why; researching what the total economic impact is on a community involved in child nutrition programs; and facilitating the expansion of a computer network that provides up-to-date technical information on federal nutrition and food distribution programs.

Demonstration partnership agreements addressing the needs of the poor

H.R. 4151 authorizes the Demonstration Partnership Program (DPP) for four additional years and increases the authorization level to $10 million in 1991 and such sums in the out years.

TITLE V—AMENDMENTS TO THE CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT

Research has clearly established that staff training in child development and early childhood education is the single most important variable in determining the quality of programs provided to young children. Yet, as in 1975 when the CDA program was established, the supply of trained child care workers has not kept pace with the demand. Therefore, the reauthorization doubles the authorization level for the scholarship program.

Testimony before the Subcommittee on Human Resources indicated that there are two barriers to obtaining the CDA credential. The first barrier is the lack of assistance to candidates to pay for the training necessary to obtain the CDA. The second concern is the low eligibility level for the program.

The current fee for the CDA credential is $325. While this fee only pays for the actual credentialing process, the average cost for training necessary to obtain the CDA is $1,420 with the cost ranging from $100 to $3,000. In response to questions, the Department of Health and Human Services indicated that often those who meet the income guidelines are so poor they have no resources to pay the costs of training. H.R. 4151 addresses this concern by providing states with the option of using up to 20 percent of their scholarship grant to assist eligible candidates with the cost of training necessary to obtain the CDA scholarship.

The second barrier to participation is the low eligibility criteria. Currently, eligibility is set at 150 percent of the poverty line. This eligibility criteria does not take into account the variation in costs from region to region. The Department of Health and Human Services testified that states are reporting that many potential low income applicants are unable to take advantage of the program because their total family income makes them ineligible under the current eligibility criteria. The Committee has responded to these concerns by changing the eligibility mechanism to the Lower Living Standard which takes into account regional cost variations and by increasing the eligibility to 125 percent of the Lower Living Standard.

V. Committee Approval

In compliance with clause 2(l)(2)(B) of rule XI of the Rules of the House of Representatives, the Committee states that on May 1, 1990, a quorum being present, the Committee favorably ordered reported H.R. 4151 by voice vote.

VI. Oversight Statement

In compliance with clause 2(l)(3)(A) of rule XI of the Rules of the House of Representatives, this report embodies the findings and recommendations of the Subcommittee on Human Resources, established pursuant to clause 2(b)(1) of rule X of the House of Representatives and rule 18(a) of the Rules of the Committee on Education and Labor. Pursuant to its responsibilities, the Committee has determined that legislation should be enacted as set forth in (H.R. 4151).

VII. Inflationary Impact Statement

In compliance with clause 2(l)(4) of rule XI of the Rules of the House of Representatives, the Committee estimates that the enactment into law of H.R. 4151 will have little inflationary impact on prices and costs in the operation of the national economy. It is the judgment of the committee that the inflationary impact of this legislation as a component of the Federal budget is negligible.

VIII. Oversight Findings and Recommendations of the Committee on Government Operations

In compliance with clause 2(l)(3)(D) of rules XI of the Rules of the House of Representatives, the committee states that no findings or

recommendations of the Committee on Government Operations were submitted to the committee.

IX. Cost of this Legislation

A. CONGRESSIONAL BUDGET OFFICE ESTIMATE

In compliance with clause 2(l)(3) (B) and (C) of rule XI of the Rules of the House of Representatives, the estimate prepared by the Congressional Budget Office pursuant to section 403 of the Congressional Budget Act of 1974, submitted prior to the filing of this report, is set forth as follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC, May 7, 1990.

Hon. Augustus F. Hawkins,
Chairman, Committee on Education and Labor,
House of Representatives, Washington, DC.

Dear Representative: The Congressional Budget Office has prepared the attached cost estimate for H.R. 4151, the Human Resources Reauthorization of 1990 as amended and ordered reported by the Committee on Education and Labor on May 1, 1990.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

Robert D. Reischauer,
Director.

Attachment.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 4151.
2. Bill title: Human Services Reauthorization Act of 1990.
3. Bill status: As ordered reported from the Committee on Education and Labor on May 1, 1990.
4. Bill purpose: The purpose of this bill is to authorize appropriations for fiscal years 1991 through 1994 to carry out the Head Start Act, the Follow Through Act, the Community Services Block Grant Act, the State Dependent Care Development Act, the Child Development Associate Scholarship Assistance Act, and the Demonstration Partnership Agreements Addressing the Needs of the Poor. In addition, H.R. 4151 calls for a longitudinal study of Head Start participants and provides significant modifications for the Follow Through program.
5. Estimated cost to the Federal Government:

[By fiscal years, in millions of dollars]

	1991	1992	1993	1994	1995
Title I—Head Start:					
Authorization level	2,386	4,273	5,924	7,660	0
Estimated outlays	1,193	3,210	5,004	6,709	3,743
Longitudinal Study on Head Start Participants:					
Estimated authorization level	2	2	2	2	2
Estimated outlays	1	2	2	2	2

[By fiscal years, in millions of dollars]

	1991	1992	1993	1994	1995
Title II—Follow Through:					
Authorization level	20	30	40	50	0
Estimated outlays	2	17	29	39	42
Title III—State dependent care development grants:					
Authorization level	20	21	22	22	0
Estimated outlays	5	19	21	22	17
Title IV—Community services block grant:					
Authorization level	452	460	480	500	0
Estimated outlays	429	460	473	499	25
Community food and nutrition:					
Authorization level	10	15	18	20	0
Estimated outlays	10	15	18	20	1
Title V—Child development associate scholarship assistance:					
Authorization level	3	3	3	3	0
Estimated outlays	1	3	3	3	3
Title VI—Demonstration partnership agreements addressing the needs of the poor:					
Authorization level	10	10	11	11	0
Estimated outlays	10	10	11	11	1
Total estimated authorization level	2,903	4,814	6,500	8,269	2
Total estimated outlays	1,650	3,736	5,567	7,306	3,833

Numbers may not add due to rounding.

The costs of this bill fall within budget function 500.

Basis of Estimate: H.R. 4151 reauthorizes appropriations for the Head Start Act, the Follow Through Act, and the Community Services Block Grant Act for fiscal years 1991 through 1994 at the above stated levels. For the State Care Development Act, the Child Development Associate Scholarship Act, and the Demonstration Partnership Agreements, specific fiscal year 1991 levels of funding and for fiscal years 1992 through 1994 "such sums as may be necessary" are authorized. The estimated authorization level for fiscal years 1992 through 1994 for these programs is the 1991 level adjusted for projected inflation. Outlay estimates reflect the current spending patterns of the existing programs and assume amounts authorized are appropriated at the beginning of each fiscal year.

Section 108 requires the Secretary to conduct a longitudinal study of the effects of participation in Head Start programs. The bill mandates several provisions appertaining to the study's design: the study must continue for a minimum of 20 years, an advisory panel shall be established, the study shall be based on a sample representing the national population and subpopulations, and control groups must be used for comparisons with those participating in Head Start programs.

Based on cost estimates of comparative studies and on discussions with several informed sources, CBO estimates the 1991–1995 authorization at $2 million per year. Outlay estimates reflect the current spending patterns of similar studies.

6. Estimated cost to State and local government: None.
7. Estimate comparison: None.
8. Previous CBO estimate: None.
9. Estimate prepared by: Alice Grant.

10. Estimate approved by: C.G. Nuckols for James L. Blum, Assistant Director for Budget Analysis.

B. COMMITTEE ESTIMATE

With reference to the statement required by clause 7(a)(1) of Rule XIII of the Rules of the House of Representatives, the Committee adopts the estimate prepared by the Congressional Budget Office.

SECTION-BY-SECTION ANALYSIS

Section 1 provides that this Act may be cited as the "Human Services Reauthorization Act of 1990."

TITLE I—AMENDMENTS TO THE HEAD START ACT

Section 101 amends section 639 of the Act to authorize appropriations for an additional four years.

Section 102 amends section 640(a) of the Act to increase the minimum amount of funds that must be spent of Indian and migrant Head Start programs and for training and technical assistance, reserves a percentage of the appropriation for quality improvement activities including compensation of Head Start staff once appropriations exceed a trigger designed to protect current services, and reserves funds for parent-child centers within the Head Start program.

Section 103 amends section 640(d) to expand the existing requirement that the Secretary submit an annual report on the status of handicapped children in Head Start programs to include all children in Head Start programs, and requires that guidelines be developed defining the criteria Head Start agencies must meet to modify or implement service delivery models.

Section 104 creates a new section 640A in the Act directing the Secretary to conduct a comprehensive report on the Head Start program to be completed by January 1, 1994.

Section 105 amends section 641(d) of the Act to specify additional criteria to be taken into consideration in designating Head Start agencies in unserved areas.

Section 106 amends section 642 of the Act to include as a regular function of Head Start agencies specific reference to educational services for parents to assist them to help their children reach their full potential and to expand the existing coordination requirements for Head Start grantees to include coordination with schools that subsequently serve Head Start children.

Section 107 amends section 644(b) to clarify that the percentage of federal funds that can be expended for administrative purposes is to be calculated based on the total of the amount of federal funds awarded and the required match.

Section 108 amends section 644 of the Act to emphasize the labor-management neutrality of Head Start funds by clarifying that they shall not be used to assist, promote, or deter union organizing.

Section 109 amends section 645(a)(2) of the Act to make a technical date change.

Section 110 amends section 646 of the Act to specify that any revisions in the appeals process protect the right of grantees to make

certain requests and to clarify that the appeals process applies to funding reductions as well as terminations.

Section 111 amends section 651 of the Act to require that Head Start programs be evaluated at least once every three years.

Section 112 creates a new section 651A authorizing such sums as may be necessary for fiscal years 1991 through 2011 for a longitudinal study of Head Start.

Section 113 amends section 652 of the Act to provide that the poverty line used for determining eligibility for Head Start shall be the official poverty line (as defined by the Office of Management and Budget) adjusted for inflation or the fiscal 1990 poverty line adjusted for inflation, whichever is greater.

Section 114 amends section 645(c) of the Act to prohibit any rule or guideline that would restrict the ability of Head Start grantees to serve children from age 3 to the age of compulsory school attendance.

Section 115 directs the Secretary to determine whether Head Start services can be provided effectively in family day care settings and the components that are necessary to ensure the quality and comprehensiveness of such services.

Section 116 makes technical amendments to Section 634.

TITLE II—AMENDMENTS TO THE FOLLOW THROUGH ACT

Section 201 inserts a new "PART I—DIRECT SERVICES" following section 661 of the Act.

Section 202 amends section 662 of the Act by providing that (i) local programs shall utilize a model Follow Through approach for which technical assistance is provided under the Act, (ii) the Secretary may not refuse to provide assistance to an applicant solely because it proposes to operate a program during a period when school is not in regular session, at more than one site, or both, (iii) the Secretary shall provide grantees sufficient funding to enable them to operate programs with comprehensive services, (iv) each local program shall receive not less than $200,000 when the annual appropriation for the Act exceeds $15,000,000, and (v) makes certain technical amendments.

Section 203 amends the Act by establishing a new section 663 regarding the consideration and content of applications for assistance.

Section 204 establishes a new "PART II—PROGRAM IMPROVEMENT," strikes section 664 of current law and inserts new provisions regarding research, technical assistance and training, resource and expansion, and a national clearinghouse.

Section 205 amends section 665 of the Act to strike "demonstration" and "pilot" and to insert "evaluation".

Section 206 amends section 666(a) of the Act to strike the provision requiring that evaluations be performed by persons not directly involved with the administration of a program.

Section 207 amends the Act (i) to establish a new "PART III—GENERAL AND ADMINISTRATIVE PROVISIONS", (ii) to establish a new section 667 authorizing appropriations through fiscal year 1994, allocating appropriated funds between parts I and II,

and making certain administrative requirements, and (iii) repeal section 670.

Section 208 amends the Act by inserting a new section 669 regarding participation in other educational activities.

Section 209 makes a technical amendment to section 668(a) of the Act.

TITLE III—AMENDMENTS TO THE STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

Section 301 amends section 670A of the Act to authorize appropriations for an additional four years.

Section 302 amends section 670D of the Act to allow for a waiver of the existing percentage setaside allotments and to strike language governing the location of before and after school child care programs.

Section 303 amends section 670D of the Act to make several technical amendments.

TITLE IV—AMENDMENTS TO THE COMMUNITY SERVICES BLOCK GRANT ACT

Section 401(a) amends section 672(b) of the Act to authorize appropriations for the Community Services Block Grant for an additional four years.

Section 401(b) amends section 681A(c) of the Act to authorize appropriations for the Community Food and Nutrition Program for an additional four years.

Section 402 amends section 673(1) to modify the definition of eligible entity to exclude organizations which receive funds as the result of a waiver granted under Public Law 98-139, and provides that priority shall be given to organizations with tripartite boards in designating new eligible entities in unserved areas.

Section 403 amends section 674(a) of the Act to allow for a phased increase in the small state minimum to one-half of one percent when appropriations exceed $345,000,000.

Section 404 amends sections 681 to permit rural housing projects to participate in the planning and development of low income rental housing, and to specify the activities that are to be included in national or regional programs for low-income youth.

Section 405 amends section 681A (Community Food and Nutrition) to provide that appropriations of up to $10,000,000 shall be allocated according to current law and that appropriations in excess of this amount shall be divided equally between grants to states and competitive grants, and to provide new authority for technical and training assistance and research and demonstration projects within the competitive grants when appropriations exceed $10,000,000.

Section 406 inserts a new section 682 providing for an annual report on Community Services Block Grant programs.

Section 407 makes a technical amendment to Section 673(2).

TITLE IV—AMENDMENTS TO THE CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985

Section 501 amends section 603 of the Act by permitting, at the option of a state, that not more than 20 percent of such state's funds may be used for training necessary for credentialing.

Section 502 amends section 604 of the Act to change the income eligibility requirements from 150 percent of poverty to 125 percent of the lower living standard.

Section 503 amends section 606 of the Act to authorize appropriations for an additional four years.

TITLE VI—AMENDMENTS RELATING TO DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR

Section 601 amends section 408(f) of the Human Services Reauthorization Act of 1986 to authorize appropriations for an additional four years.

TITLE VII—EFFECTIVE DATES

Section 701 prescribes general and special effective dates relative to the amendments made by this Act.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

HEAD START ACT

* * * * * * *

DEFINITIONS

SEC. 637. For purposes of this subchapter:

(1) The term "adjusted appropriation" means—

(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 110 of the amount appropriated under section 639 for the preceding fiscal year, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determiniation is made under section 640(a)(3)(A); and

(B) with respect to the each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, the amount appropriated under section 639 for the preceding fiscal year adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determination is made under section 640(a)(3)(A).

[(1)] *(2)* The term "Secretary" means the Secretary of Health and Human Services.

[(2)] *(3)* The Term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

[(3)] *(4)* The term "financial assistance" includes assistance provided by grant, agreement, or contract, and payments may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

(5) The term "poverty line" means—

(A) the official poverty line (as defined by the Office of Management and Budget) adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the 1-year period or other interval immediately preceding the date such adjustment is made; or

(B) the poverty line (including any revision thereof) applicable to this subchapter for fiscal year 1990, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the period beginning October 1, 1989, and ending immediately before the date such adjustment is made;

whichever is greater.

(6) The term "quality improvement funds" means—

(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 10 percent of the amount appropriated under section 639 for such fiscal year; and

(B) with respect to the each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 25 percent of the portion of the amount appropriated under section 639 for such fiscal year that exceeds the adjusted appropriation for such fiscal year.

* * * * * * *

AUTHORIZATION OF APPROPRIATIONS

SEC. 639. *(a)* There are authorized to be appropriated for carrying out the provisions of this subchapter *(other than section 651A)* [$1,198,000,000 for fiscal year 1987, $1,263,000,000 for fiscal year 1988, $1,332,000,000 for fiscal year 1989, and] $1,552,000,000 for fiscal year 1990, *$2,386,000,000 for fiscal year 1991, $4,273,000,000 for fiscal year 1992, $5,924,000,000 for fiscal year 1993, and $7,660,000,000 for fiscal year 1994.*

(b) There are authorized to be appropriated such sums as may be necessary to carry out section 651A for fiscal years 1991 through 2011.

ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

SEC. 640. (a)(1) Of the sums appropriated pursuant to section 639 for any fiscal year beginning after September 30, 1981, the Secretary shall allot such sums in accordance with paragraphs (2) [and (3)] *through (5)*.

(2) The Secretary shall reserve 13 percent of the amount appropriated for each fiscal year for use in accordance with the following order of priorities—

(A) Indian and migrant Head Start programs and services for handicapped children, except that there shall be made available *for each fiscal year* for use by Indian and migrant Head Start programs, on a nationwide basis, [no less funds for fiscal year 1987 and each subsequent fiscal year than were obligated for use by Indian and migrant Head Start programs for fiscal year 1985] *not less than the amount that was obligated for use by Indian and migrant Head Start programs for fiscal year 1990;*

* * * * * * *

(C) training and technical assistance activities which are sufficient to meet the needs associated with program expansion and to foster program and management improvement activities as described in section 648 of this subchapter, in an amount for each fiscal year which is not less than the amount expended for training and technical assistance activities under this clause for fiscal year [1982] *1990;* and

(D) discretionary payments made by the Secretary.

[The minimum reservation contained in clause (C) of this paragraph shall not apply in any fiscal year in which the appropriation for the program authorized by this subchapter is less than the amount appropriated for fiscal year 1984.] No funds reserved under this paragraph *or paragraph (3)* may be combined with funds appropriated under any other Act if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such funds appropriated under this subchapter are separately identified in such grant or payment and are used for the purposes of this subchapter.

(3)(A) For any fiscal year for which the amount appropriated under section 639(a) exceeds the adjusted appropriation, the Secretary shall reserve the quality improvement funds for such fiscal year, for one or more of the following quality improvement activities:

(i)(I) Not less than one-half of the amount reserved under this subparagraph, to improve the compensation (including benefits) of staff of Head Start agencies and thereby enhance recruitment and retention of such staff. The expenditure of funds under this clause shall be subject to section 653.

(II) If a Head Start agency certifies to the Secretary for such fiscal year that part of the funds set aside under the subclause (I) to improve wages cannot be expended by such agency to improve wages because of the operation of section 653, the such agency may expend such part for any of the uses specified in this subparagraph (other than wages).

(ii) To pay transportation costs incurred by Head Start agencies to enable eligible children to participate in a Head Start program.

(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

(iv) To pay costs incurred by Head Start agencies to purchase insurance (other than employee benefits) and thereby maintain or expand Head Start services.

(v) To make nonstructural and minor structural changes, and to acquire and install equipment, for the purpose of improving facilities necessary to expand the availability, or enhance the quality, of Head Start programs.

(vi) Additional uses related to quality, as determined by the Secretary.

(B)(i) Funds reserved under subparagraph (A) for a fiscal year shall be allotted by the Secretary among the States in the same proportion as the Secretary allots funds among the States under paragraph (5) for such fiscal year.

(ii) To be expended for the activities specified in subparagraph (A) in the first fiscal and second fiscal years for which funds are required by such subparagraph to be reserved, the Secretary shall make a grant to each Head Start agency that receives a grant from funds allotted under paragraph (5) for such fiscal year, in the amount that bears the same ratio to the amount allotted under clause (i) for such fiscal year for the State in which such agency is located as the number of children participating in the Head Start program of such agency in such fisal year bears to the number of children participating in all Head Start programs in such State in such fiscal year.

(iii) To be expended for the activities specified in subparagraph (A) in each subsequent fiscal year for which funds are required by such subparagraph to be reserved, the Secretary shall make a grant to each Head Start agency that receives a grant from funds allotted under paragraph (5) for such fiscal year, in such amount as the Secretary considers to be appropiate. The aggregate amount of grants made under this clause to Head Start agencies in a State for a fiscal year may not exceed the amount allotted under clause (i) for such State for such fiscal year.

(iv) If a Head Start agency certifies for such fiscal year to the Secretary that it does not need any funds under subparagraph (A), or does not need part of such funds it would otherwise receive under clause (ii) or (iii), then unneeded funds shall be used by the Secretary to make grants under this subparagraph without regard to such agency.

(v) Funds received under this subparagraph shall be used to supplement, not to supplant, funds received under paragraphs (2), (4), and (5).

(4)(A) The Secretary shall reserve $30,000,000 for fiscal year 1991, $31,200,000 for fiscal year 1992, $32,448,000 for fiscal year 1993, and $33,745,920 for fiscal year 1994 to make grants to Head Start agencies to carry out early childhood intervention programs, to be known as "Parent-Child Centers", withing Head Start programs.

(B)(i) Such programs shall be designed—

(I) to enhance the development of children who are less than 3 years of age; and

(II) to strengthen the family unit by providing opportunities for increasing the child development skills and knowledge of their parents.

(ii) Such programs shall provide comprehensive services (such as social, health, and educational services) to low-income families with children who are less than 3 years of age. Notwithstanding section 645(c), such programs may provide such services to any eligible family during any period of time and may be center-based, home-based, or a combination of both.

(C) Funds reserved under subparagraph (A) for a fiscal year shall be allotted as follows:

(i) 87 percent of such funds shall be allotted among the States in the same proportion as funds are allotted among the States under paragraph (5).

(ii) 13 percent of such funds shall be used to—

(I) increase the allotments made under clause (i) so that the allotment made under clause (i) for each State is not less than the amount expended in fiscal year 1990 by Head Start agencies in such State to carry out early childhood intervention programs of the kind described in subparagraph (B); and

(II) to make payments for programs and services specified in paragraph (2)(A) and to make payments to entities specified in paragraph (2)(B) to carry out such programs.

(D) The Secretary may not make a grant under this paragraph to a Head Start agency for a fiscal year unless such agency certifies that carrying out the early childhood intervention program for which such grant is requested will not reduce services provided by such agency to children who participate in its other programs under this subchapter.

(E) For purposes of this paragraph, the term "low-income family" means a family that satisfies the eligibility requirements applicable under section 645(a).

[(3)**]** *(5)* The Secretary shall allot the remaining 87 percent of the amounts appropriated in each fiscal year among the States, in accordance with latest satisfactory data so that—

(A) each State receives an amount which is equal to the amount the State received for fiscal year 1981; and

(B)(i) 33⅓ percent of any amount available after all allotments have been made under clause (A) for such fiscal year shall be distributed on the basis of the relative number of children from birth through 18 years of age, on whose behalf payments are made under the program of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act in each State as compared to all States; and

(ii) 66⅔ percent of such amount shall be distributed on the basis of the relative number of children from birth through 5 years of age living with families with incomes below the poverty line in each State as compared to all States.

[(4)] *(6)* For the purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, or the Trust Territory of the Pacific Islands.

* * * * * * *

(d) The Secretary shall establish policies and procedures designed to assure that for fiscal year 1982 and thereafter no less than 10 percent of the total number of enrollment opportunities in Head Start programs in each State shall be available for handicapped children (as defined in paragraph (1) of section 602 of the Education of the Handicapped Act) and that services shall be provided to meet their special needs. The Secretary shall *submit a comprehensive* report to the Congress at least annually on the status of [handicapped children] *children (including handicapped children)* in Head Start programs, including the number of children being served[, their handicapped conditions,] and the services being provided such children.

Such report shall include—

(1) a statement for the then most recently concluded fiscal year specifying—

(A) the amount of funds received by Head Start agencies designated under section 641 to provide Head Start services in a period before such fiscal year; and

(B) the amount of funds received by Head Start agencies newly designated under section 641 to provide such services in such fiscal year;

(2) a description of the distribution of Head Start services relative to the distribution of children who are eligible to participate in Head Start programs;

(3) a statement identifying how funds expended under section 640(a)(2), and grants made under section 640(a)(3), were distributed and used at national, regional, and local levels;

(4) a statement specifying the amount of funds provided by the State, and by local sources, to carry out Head Start programs;

(5) cost per child and how such cost varies by region;

(6) employment status of parents;

(7) teacher salaries and educational levels;

(8) number of receipts of benefits under title IV of the Social Security Act participating in Head Start programs;

(9) the source of non-Federal funds used in such programs; and

(10) the use and source of funds to extend Head Start services to operate full-day and year round.

Promptly after submitting such report to the Congress, the Secretary shall publish in the Federal Register a notice indicating that such report is available to the public and specifying how such report may be obtained.

(f) The Secretary shall develop guidelines that define criteria to enable Head Start agencies to modify or implement their service delivery models.

COMPREHENSIVE REPORT

SEC. 640A. (a) The Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

(1) not later than July 1, 1993, an interim comprehensive report; and

(2) not later than January 1, 1994, a final comprehensive report;

in accordance with this section.

(b) The reports required by subsection (a) shall contain—

(1) the information contained in the documents entitled "Program Information Report" and "Head Start Cost Analyses System" (or any document similar to either), prepared with respect to Head Start programs;

(2) a description of the effect of the 1990 Decennial Census on the allotment of funds under this subchapter;

(3) a description of the extent to which Head Start programs and local elementary schools coordinate their respective activities with each other and cooperate in providing activities;

(4) a description of the extent to which social services in the communities are used by children who participate in Head Start programs and by their families;

(5) separate descriptions of how this subchapter is administered by the headquarters of the Department of Health and Human Services and by its regional offices, including an analysis of the negotiations that occur between such regional offices and applicants for grants under this subchapter;

(6) a description of the condition of facilities used by Head Start programs;

(7) the results of recent studies evaluating the effectiveness of Head Start programs in meeting their goals;

(8) a description of the impact of expending funds under paragraph (3) on staff qualifications, staff wages, and staff turnover of Head Start agencies; and

(9) the matters specified in paragraphs (1) through (4) of section 640(d).

(c) The Secretary shall meet periodically with the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate to inform the committees of the progress made in preparing the reports required by subsection (a).

DESIGNATION OF HEAD START AGENCIES

SEC. 641. (a) * * *

* * * * * * *

(d) If there is no Head Start agency as described in subsection (c)(2), and no existing Head Start program serving a community, then the Secretary may designate a Head Start agency from among qualified applicants in such community. Any such designation shall be governed by the program and fiscal requirements, criteria, and standards applicable on September 1, 1983, to then existing Head Start agencies. *In selecting from among qualified applicants for*

designation as a Head Start agency and subject to the preceding sentence, the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—

(1) any past performance of such applicant in providing services comparable to Head Start services, including how effectively such applicant provided such comparable services;

(2) the plan of such applicant to provide comprehensive health, nutritional, educational, social, and other services needed to aid participating children in attaining their full potential;

(3) the plan of such applicant to coordinate the Head Start program it proposes to carry out, with other preschool programs and with the educational programs such children will enter at the age of compulsory school attendance;

(4) the plan of such applicant to involve parents of children who will participate in the proposed Head Start program in appropriate educational services (in accordance with the performance standards in effect under section 651(b) or through referral of such parents to educational services available in the community) in order to aid their children to attain their full potential;

(5) the ability of such applicant to carry out the plans described in paragraphs (2), (3), and (4); and

(6) other factors related to the requirements of this subchapter.

POWERS AND FUNCTIONS OF HEAD START AGENCIES

SEC. 642. (a) * * *

(b) In order to be so designated, a Head Start agency must also (1) establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests; (2) provide for their regular participation in the implementation of such programs; (3) provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources; [and (4)] *(4) involve parents of children participating in its Head Start program in appropriate educational services (in accordance with the performance standards in effect under section 651(b) or through referral of such parents to educational service available in the community) in order to aid their children to attain their full potential, and (5)* establish procedures to seek reimbursement, to the extent feasible, from other agencies for services for which any such other agency is responsible, which are provided to a Head Start participant by the Head Start agency.

(c) The head of each Head Start agency shall coordinate with other State and local programs serving , *and schools that will subsequently serve,* the children in the Head Start [agency to carry out the provisions of this subsection] *program, to carry out this subchapter.*

SUBMISSION OF PLANS TO GOVERNORS

SEC. 643. In carrying out the provisions of this subchapter, no contract, agreement, grant, or other assistance shall be made for

the purpose of carrying out a Head Start program within a State unless a plan setting forth such proposed contract, agreement, grant, or other assistance has been submitted to the [Governor] *chief executive officer* of the State, and such plan has not been disapproved by [the Governor] *such officer* within 30 days of such submission, or, if so disapproved, has been reconsidered by the Secretary and found by the Secretary to be fully consistent with the provisions and in furtherance of the purposes of this subchapter. Funds to cover the costs of the proposed contract, agreement, grant, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to [the Governor] *such officer*. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the enactment of this Act.

ADMINISTRATIVE REQUIREMENTS AND STANDARDS

SEC. 644. (a) * * *

(b) No financial assistance shall be extended under this subchapter in any case in which the Secretary determines that the costs of developing and administering a program assisted under this subchapter exceed 15 percent of the total costs, including *the required* non-Federal contributions to such costs, of such program. The Secretary shall establish by regulation, criteria for determining (1) the costs of developing and administering such program; and (2) the total costs of such program. In any case in which the Secretary determines that the cost of administering such program does not exceed 15 percent of such total costs but is, in the judgment of the Secretary, excessive, the Secretary shall forthwith require the recipient of such financial assistance to take such steps prescribed by the Secretary as will eliminate such excessive administrative cost, including the sharing by one or more Head Start agencies of a common director and other administrative personnel. The Secretary may waive the limitation prescribed by this subsection for specific periods of time not to exceed 12 months whenever the Secretary determines that such a waiver is necessary in order to carry out the purposes of this subchapter.

* * * * * * *

(e) Funds appropriated to carry out this subchapter shall not be used to assist, promote, or deter union organizing.

PARTICIPATION IN HEAD START PROGRAMS

SEC. 645. (a)(1) * * *

(2) Whenever a Head Start program is operated in a community with a population of 1,000 or less individuals and—

(A) there is no other preschool program in the community;

(B) the community is located in a medically underserved area, as designated by the Secretary pursuant to section 330(b)(3) of the Public Health Service Act and is located in a health manpower shortage area, as designated by the Secretary, pursuant to section 332(a)(1) of such Act;

(C) the community is in a location which, by reason of remoteness, does not permit reasonable access to the types of services described in clauses (A) and (B); and

(D) not less than 50 percent of the families to be served in the community are eligible under the eligibility criteria established by the Secretary under paragraph (1);

the Head Start program in each such locality shall establish the criteria for eligibility, except that no child residing in such community whose family is eligible under such eligibility criteria shall, by virtue of such project's eligibility criteria, be denied an opportunity to participate in such program. During the period beginning on the date of the enactment of the Human Services Reauthorization Act and ending on October 1, [1990] *1994*, and unless specifically authorized in any statute of the United States enacted after such date of enactment, the Secretary may not make any change in the method, as in effect on April 25, 1984, of calculating income used to prescribe eligibility for the participation of persons in the Head Start programs assisted under this subchapter if such change would result in any reduction in, or exclusion from, participation of persons in any of such programs.

* * * * * * *

(c) Each Head Start program operated in a community may provide more than one year of Head Start services to children from age 3 to the age of compulsory school attendance in the State in which the Head Start program is located. *The Secretary may not issue or enforce any rule (as defined in section 551(4) of title 5 of the United States Code) or guideline that forbids any Head Start agency to carry out a Head Start program in accordance with the authority described in the preceding sentence.*

APPEALS, NOTICE, AND HEARING

SEC. 646. *(a)* The Secretary shall prescribe procedures to assure that—

(1) special notice of and an opportunity for a timely and expeditious appeal to the Secretary will be provided for an agency or organization which desires to serve as a delegate agency under this subchapter and whose application to the Head Start agency has been wholly or substantially rejected or has not been acted upon within a period of time deemed reasonable by the Secretary, in accordance with regulations which the Secretary shall prescribe;

(2) financial assistance under this subchapter shall not be suspended, except in emergency situations, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(3) financial assistance under this subchapter shall not be terminated *or reduced*, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than 30 days, unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) The Secretary may not prescribe any procedure that would modify the operation of section 1303.21 or 1303.33, or any of subdivisions (a) through (f) of section 1303.35, of part 1303 of chapter XIII of the Code of Federal Regulations as in effect on April 1, 1990.

* * * * * * *

EVALUATION

SEC. 651. (a) * * *

* * * * * * *

(c)(1) Subject to paragraph (3) and in addition to evaluations carried out under subsection (a), the Secretary shall carry out in each fiscal year a comprehensive evaluation of not less than one-third of the Head Start programs for which funds are received under this subchapter in such fiscal year.

(2) In carrying out an evaluation under paragraph (1) of each Head Start program, the Secretary shall—

(A) to the maximum extent practicable, carry out such evaluation by using employees of the Department of Health and Human Services who are knowledgeable about Head Start programs;

(B) ensure that an employee of the Department of Health and Human Services who is knowledgeable about Head Start programs supervises such evaluation at the site of such program; and

(C) measure the compliance of such program with the performances standards in effect under subsection (b).

(3) Each Head Start program shall be evaluated under paragraph (1) not less frequently than once in each 3-year period.

[c**]** *(d)*(1) In carrying out evaluations under this subchapter, the Secretary shall establish working relationships with the faculties of colleges or universities located in the area in which any such evaluation is being conducted, unless there is no such college or university willing and able to participate in the evaluation. For purposes of the preceding sentence, for any single evaluation areas in which such working relationships are established may not be larger than 3 contiguous States.

(2) In carryout out evaluations under this subchapter, the Secretary may require Head Start agencies to provide for independent evaluations.

[d**]** *(e)* In carrying out evaluations under this subchapter, the Secretary shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this subchapter about such parograms and projects.

[e**]** *(f)* The Secretary shall publish the result of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than 90 days after the completion thereof. The Secretary shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

[f**]** *(g)* The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this subchapter shall become the property of the United States.

LONGITUDINAL STUDY OF HEAD START PARTICIPANTS

SEC. 651A. (a) The Secretary shall conduct, through contracts with qualified persons, a longitudinal study of the effects that the participation in Head Start programs has on the development of children and their families.

(b) In carrying out the study required by subsection (a), the Secretary shall establish an advisory panel to provide advice and guidance to the Secretary and to the persons who carry out such study, regarding the design and execution of such study. Such panel shall be composed of—

(1) individuals who have—

(A) expertise in the current operation of Head Start programs;

(B) professional background in child development and related fields,

(C) experience in the evaluation of Head Start programs and comparable programs; and

(2) individuals who have expertise in designing and executing large-scale longitudinal studies.

(c) Each study required by subsection (a) shall be carried out during a period of not less than 20 years, shall be based on a sample representing the national population and various subpopulations, and shall include information on—

(1) the characteristics of the Head Start programs included in such study;

(2) the children participating in such programs and their families;

(3) the effects of each Head Start program included in such study on the children participating in such program and on their families, including—

(A) the effects of receiving Head Start services during more than one year;

(B) the effects of such program on the parent-child relationship;

(C) the long-term and short-term effects of such program on the health of such children and their families; and

(D) changes that occur in the community in which such program operates, caused by the effects described in subparagraphs (A), (B), and (C);

(4) the school grades, grade retention, motivation, special education placement, secondary school graduation, delinquency, college attendance, welfare participation and employment of such children; and

(5) variables that sustain gains as such children move through the primary grades.

(d) To the maximum extent feasible, the study required by subsection (a) shall provide for comparisons with appropriate control groups composed of individuals who do not participate in Head Start programs.

(e) While each study required by subsection (a) is being carried out, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

(1) periodic reports on the progress of such study; and

(2) for the Head Start programs included in such study, the information specified in subsection (c).

POVERTY LINE

SEC. 652. [(a) The Secretary shall revise annually (or at any shorter interval the Secretary deems feasible and desirable) a poverty line which, except as provided in section 645, shall be used as a criterion of eligibility for participation in Head Start programs.]

(a) The Secretary shall issue annually (or at any shorter interval the Secretary considers to be feasible and desirable) a poverty line which, except as provided in section 645, shall be used as a criterion of eligibility for participation in Head Start programs.

[(b) The revision required by subsection (a) shall be accomplished by multiplying the official poverty line (as defined by the Office of Management and Budget) by the percentage change in the Consumer Price Index during the annual or other interval immediately preceding the time at which the revision is made.

[(c) Revisions required by section (a) shall be made and issued]

(b) The poverty line shall be determined by the Secretary not more than 30 days after the date on which the necessary Consumer Price Index data become available.

* * * * * * *

OMNIBUS BUDGET RECONCILIATION ACT OF 1981

* * * * * * *

TITLE VI—HUMAN SERVICES PROGRAMS

SUBTITLE A—AUTHORIZATIONS SAVINGS FOR FISCAL YEARS 1982, 1983, AND 1984

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CHAPTER 8—COMMUNITY SERVICES PROGRAMS

* * * * * * *

Subchapter C—Follow Through Programs

SHORT TITLE

SEC. 661. This subchapter may be cited as the "Follow Through Act".

PART I—DIRECT SERVICES

* * * * * * *

SPECIAL CONDITIONS

SEC. 668. (a) Recipients of financial assistance under [this subchapter] *part I* shall provide maximum employment opportunities for residents of the area to be served, and to parents of children

who are participating in projects assisted under [this subchapter] *part I.*

(b) Financial assistance under [this subchapter] *part I* shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

* * * * * * *

THE FOLLOW THROUGH ACT

* * * * * * *

FINANCIAL ASSISTANCE FOR FOLLOW THROUGH PROGRAMS

SEC. 662. (a) The Secretary of Education (hereinafter in this subchapter referred to as the "Secretary") is authorized to provide financial assistance in the form of grants to local educational agencies, combinations of such agencies, and, as provided in subsection (b), any other public or appropriate nonprofit private agencies, organizations, and institutions for the purpose of carrying out Follow Through programs focused primarily on children from low-income families in kindergarten and primary grades, including such children enrolled in private nonprofit elementary schools, who were previously enrolled in Head Start or similar *quality pre-school* programs. Other children in kindergarten and primary grades, including such other children enrolled in private nonprofit elementary schools, who were previously enrolled in preschool programs of a compensatory nature which received Federal financial assistance may participate in such Follow Through programs.

* * * * * * *

(c) Programs to be assisted under [this section shall provide such] *this part shall use model Follow Through approaches for which financial assistance is provided under section 664A and shall provide* comprehensive educational, health, nutritional, social, and other services as will aid in the continued development of children described in subsection (a) to their full potential. Such [projects] *programs* shall provide for the direct participation of the parents of such children in the development, conduct, and overall direction of the program at the local level. If the Secretary determines that participation in the [project] *program* of children who are not from low-income families will serve to carry out the purposes of this section, the Secretary may provide for the inclusion of such children from non-low-income families, but only to the extent that their participation will not dilute the effectiveness of the services designed for children described in subsection (a).

(d) The Secretary may not refuse to provide financial assistance under subsection (a) to an applicant solely because such applicant proposes to carry out a Follow Through program during a period in which school is not in regular session, at more than one site, or both.

(e)(1) In making grants under subsection (a), the Secretary shall provide sufficient funds to enable programs to meet the requirements of subsection (c).

(2) If the aggregate amount appropriated for a fiscal year to carry out this subchapter exceeds $15,000,000, the amount of each such grant shall be not less than $200,000.

[AUTHORIZATION OF APPROPRIATIONS

[SEC. 663. (a) There are authorized to be appropriated for carrying out the purposes of this subchapter $7,500,000 for fiscal year 1987, $7,800,000 for fiscal year 1988, $8,112,000 for fiscal year 1989, and $8,436,000 for fiscal year 1990.

[(b) Financial assistance extended under this subchapter for a Follow Through program shall not exceed 80 percent of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this subchapter. Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 percent of the approved costs of programs or activities assisted under this subchapter.

[(c) No project shall be approved for assistance under this subchapter unless the Secretary is satisfied that the services to be provided under such project will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may adopt.]

CONSIDERATION OF APPLICATIONS

SEC. 663. (a) IN GENERAL.—A grant under this part may be made only to an applicant that submits an application to the Secretary containing such information as may be required by the Secretary by rule.

(b) CONTENTS OF APPLICATION.—Each application shall—

(1) provide that the program for which assistance is requested will be administered by or under the supervision of the applicant;

(2) provide for the proper and efficient administration of such program;

(3) provide for regular evaluation of such program;

(4) provide that regular reports on such program shall be sent to the Secretary;

(5) estimate the number of children who are eligible for Follow Through services in the geographical area served by such program and the approximate number to be served by such program;

(6) describe which model Follow Through approach the applicant intends to use, and the manner in which the applicant will implement such approach;

(7) provide evidence that the applicant has made a formal arrangement to receive technical assistance and training relative to such approach from an appropriate agency, institution, or organization that receives funds under section 664A;

(8) provide an assurance that the instructional program, including textbooks and other materials provided by the applicant, is appropriate to the ages and developmental needs of the children to be served by such program and to the model Follow Through approach selected;

(9) provide for direct participation of parents, as provided in section 662(c), and include a certification that such application has been approved by a committee (established in accordance with rules issued by the Secretary) that represents parents of children who participate, and parents of children who are likely to participate, in such program;

(10) describe how the applicant proposes to coordinate services under this part with services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, the Bilingual Education Act, and the Education of the Handicapped Act;

(11) provide evidence that the applicant has formally arranged with local Head Start programs and other preschool programs for such cooperation and activities as will ensure an effective transition of eligible children entering the Follow Through program carried out by such applicant; and

(12) describe the expected or, if possible, actual impact of such program on the applicant's regular school program.

[RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

[SEC. 664. (a) The Secretary may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public and private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or in otherwise furthering the purposes of this subchapter.

[(b) The Secretary shall establish an overall plan to govern the approval of research, demonstration, or pilot projects and the use of all research authority under this subchapter. Such plan shall set forth specific objectives to be achieved and priorities among such objectives.]

PART II—PROGRAM IMPROVEMENT

RESEARCH

SEC. 664. (a) The Secretary may provide financial assistance, through grants and contracts, to public and private nonprofit agencies, institutions, and organizations to conduct research—

(1) to improve Follow Through approaches; and

(2) to meet the special needs of children who are eligible to participate in Follow Through programs.

(b) In providing assistance under this subsection (a), the Secretary shall give priority to applicants that have experience in developing, administering, or evaluating Follow Through programs or model Follow Through approaches.

TECHNICAL ASSISTANCE AND TRAINING

SEC. 664A. The Secretary shall make grants to public and private nonprofit agencies, institutions, and organizations—

(1) to provide technical assistance to assist in the development, implementation, and expanded use of model Follow Through approaches; and

(2) to provide training in conjunction with the operation of Follow Through programs or other programs that adopt such approaches.

RESOURCE AND EXPANSION

SEC. 664B. The Secretary may make grants to entities which operate, or previously operated, Follow Through programs that the Secretary has found to be effective—

(1) to act as Follow Through resources to develop and provide information on the operation of their respective programs;

(2) to promote the adoption of similar programs by local educational agencies; and

(3) to assist agencies, institutions, and organizations that receive funds under section 664A, in providing technical assistance and training.

NATIONAL CLEARINGHOUSE

SEC. 664C. (a) If the amount appropriated to carry out this subchapter exceeds $19,000,000, then the Secretary shall make a grant to an organization that represents entities referred to in sections 662, 664A, and 664B to establish a national clearinghouse on Follow Through programs (hereinafter in this section referred to as the clearinghouse), which shall provide information, without charge or at such reasonable cost as the Secretary may determine, to the public concerning—

(1) programs that receive financial assistance under section 662;

(2) model Follow Through approaches;

(3) the kinds of technical assistance and training available under section 664A;

(4) the procedure to obtain technical assistance and training available under section 664A; and

(5) Follow Through research and evaluations.

(b) The Secretary shall make available to the clearinghouse all research and evaluations that relate to Follow Through programs and for which the Secretary provides, or has ever provided, funds.

(c)(1) The Secretary shall promote the awareness and use of model Follow Through approaches by—

(A) informing recipients of grants and contracts under section 1562 of the Elementary and Secondary Education Act of 1965 of the types of information received by the clearinghouse; and

(B) making all information received by the clearinghouse available without charge to such recipients.

(2) From the funds appropriated for each fiscal year to carry out this part, the Secretary shall expend—

(A) not less than $100,000 to pay the costs incurred by such recipients to disseminate information relating to such approaches; and

(B) not less than $300,000 to carry out this section.

ANNOUNCEMENT OF RESEARCH, [DEMONSTRATION, AND PILOT PROJECT] *AND EVALUATION* CONTRACTS

SEC. 665. (a) The Secretary shall make a public announcement concerning—

(1) the title, purpose, intended completion date, identity of the grantee or contractor, and proposed cost of any grant or contract with a private or non-Federal public agency or organization for any research, [demonstration, or pilot project] *or evaluation* under this subchapter; and

* * * * * * *

EVALUATION

SEC. 666. (a) The Secretary shall provide, directly or through grants or contracts, for the continuing evaluation of programs under this subchapter, including evaluations that measure and evaluate the impact of programs authorized by this subchapter, in order to determine their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanism for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. [Evaluations shall be conducted by persons not directly involved in the administration of the program or project.]

* * * * * * *

[TECHNICAL ASSISTANCE AND TRAINING

[SEC. 667. The Secretary may provide, directly or through grants or other appropriate arrangements (1) technical assistance to Follow Through programs in developing, conducting, and administering programs under this subchapter; and (2) training for specialized or other personnel which is needed in connection with Follow Through programs.]

PART III—GENERAL AND ADMINISTRATIVE PROVISIONS

AUTHORIZATION OF APPROPRIATIONS

SEC. 667. (a) There are authorized to be appropriated to carry out this subchapter $8,436,000 for fiscal year 1990, $20,000,000 for fiscal year 1991, $30,000,000 for fiscal year 1992, $40,000,000 for fiscal year 1993, and $50,000,000 for fiscal year 1994.

(b) Of the amount appropriated for each fiscal year to carry out this subchapter—

(1) 70 percent shall be available to carry out part I; and

(2) 30 percent shall be available to carry out part II.

(c)(1) Financial assistance provided under part I for a Follow Through program shall not exceed 80 percent of the approved costs of the program assisted, except that the Secretary may approve as-

sistance in excess of such percentage if the Secretary determines, in accordance with rules establishing objective criteria, that such action is required to carry out such part.

(2) Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, and services.

(3) The Secretary may not require non-Federal contributions in excess of 20 percent of the approved costs of the Follow Through program assisted.

(d) An application for assistance under this subchapter may not be approved unless the Secretary is satisfied that the services to be provided under this subchapter by such applicant will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such rules as the Secretary may issue.

SPECIAL CONDITIONS

SEC. 668. (a) Recipients of financial assistance under this subchapter shall provide maximum employment opportunities for residents of the area to be served, and to parents of children who are participating in *programs and* projects assisted under this subchapter.

* * * * * * *

PARTICIPATION IN OTHER EDUCATIONAL ACTIVITIES

SEC. 669A. The Secretary shall facilitate the participation of entities that receive funds under sections 664A and 664B in training and technical assistance activities carried out under other Federal programs that provide assistance to children in elementary schools.

[REPEALER

[SEC. 670. Effective October 1, 1990, the provisions of this subchapter are repealed.]

* * * * * * *

STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

Subchapter D--Grants to States for Planning and Development of Dependent Care Programs and for Other Purposes

AUTHORIZATION OF APPROPRIATIONS

SEC. 670A. For the purpose of making allotments to States to carry out the activities described in section 670D, there [is] *are* authorized to be appropriated $20,000,000 for each of the fiscal years [1987, 1988, 1989, and] 1990 *and 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994.*

* * * * * * *

USE OF ALLOTMENTS

SEC. 670D. (a)(1) Subject to the provisions of subsections (c) and (d), amounts paid to a State under section 670C from it allotment under section 670B [for fiscal year 1985 and fiscal year 1986] may be used for the planning, development, establishing, expansion, or improvement by the States, directly or by grant or contract with public or private entities, of State and local resource and referral systems to provide information concerning the availability, types, costs, and locations of dependent care services. The information provided by any such system may include—

(A) * * *

* * * * * * *

(b)(1) Subject to the provisions of subsections (c) and (d), amounts paid to a State under section 670C from its allotment under section 670B [for fiscal year 1985 and fiscal year 1986] may be used for the planning, development, establishment, expansion, or improvement by the States, directly, or by grant or contract, with public agencies or private nonprofit organizations of programs to furnish school-age child care services before and after school [in public or private school facilities or in community centers in communities].

(2) The State, with respect to the uses of funds described in paragraph (1) of this subsection shall—

(A) * * *

* * * * * * *

(D) provide assurances that the applicant is able and willing to seek to enroll racially, ethnically, and economically diverse *school-age children,* as well as handicapped school-age children, in the child care service program for which assistance is sought under this Act;

(E) provide assurances that the child care program is in compliance with State and local child care licensing laws and regulations governing day care services for school-age children to the extent that such regulations are appropriate to the age group served; and

(F) provide such other assurance as the [Governor] *chief executive officer of the State* may reasonably require to carry out [the provisions of] this Act.

* * * * * * *

(c) [Of] *(1) Except as provided in paragraph (2), of* the allotment to each state in each fiscal year—

[(1)] *(A)* 40 percent shall be available for the activities described in subsection (a); and

[(2)] *(B)* 60 percent shall be available for the activities described in subsection (b).

(2) For any fiscal year the Secretary may waive the percentage requirements specified in paragraph (1) on the request of a State if such State demonstrates to the satisfaction of the Secretary—

(A) that the amount of funds available as a result of one of such percentage requirements is not needed in such fiscal year for the activities for which such amount is so made available; and

(B) the adequacy of the alternative percentages, relative to need, the State specifies the State will apply with respect to all of the activities referred to in paragraph (1) if such waiver is granted.

(d) A State may not use amounts paid to it under this subchapter to—

(1) pay the cost of operation of any resource and referral system or before or after school child care program established, expanded, or improved under [subsection (a)] *subsections (a) and (b)*;

* * * * * * *

(f) Project supported under this section to plan, develop, establish, expand, or improve a State or local resource and referral system or before or after school child care program shall not duplicate any services[, which prior to the date of enactment of this subchapter, are provided] *which are provided before the date of the enactment of this subchapter*, by the State or locality which will be served by such system.

(g) The Secretary may provide technical assistance to States in planning and [operating activities to be carried out] *carrying out activities* under this subchapter.

APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

SEC. 670E. (a) * * *

* * * * * * *

(c) The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 670C, including information on the programs and activities to be supported. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) [until September 30, 1987,] as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this subchapter, and any revision shall be subject to the requirements of the preceding sentence.

* * * * * * *

DEFINITIONS

SEC. 670G. For purposes of this subchapter—

(1) the term "community center" means facilities operated by nonprofit community-based organizations for the provision of recreational, social, or educational services to the general public;

(2) the term "dependent" means—

(A) an individual who has not attained the age of 17 years;

(B) an individual who has attained the age of 55 years; or

(C) [a person] *an individual* with a developmental disability;

* * * * * * *

(7) the term "school-age children" means children aged five through thirteen, except that in any *in* State which by State law children at an earlier age are provided free public education, the age provided in State law shall be substituted for age five;

* * * * * * *

(10) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the [Trust Territory of the Pacific Islands,] *Federated States of Micronesia, the Republic of the Marshall Islands, Palau,* and the Commonwealth of the Northern Mariana Islands; and

* * * * * * *

THE COMMUNITY SERVICES BLOCK GRANT ACT

* * * * * * *

COMMUNITY SERVICES GRANTS AUTHORIZED

SEC. 672. (a) * * *

(b) There [is authorized to be appropriated $390,000,000 for fiscal year 1987, $409,500,000 for fiscal year 1988, $430,000,000 for fiscal year 1989, and] *are authorized to be appropriated* $451,500,000 for fiscal year 1990, *$451,500,000 for fiscal year 1991, $460,000,000 for fiscal year 1992, $480,000,000 for fiscal year 1993, and $500,000,000 for fiscal year 1994* to carry out the provisions of this subtitle *(other than section 681A)*.

DEFINITIONS

SEC. 673. For purposes of this subtitle:

(1) The term "eligible entity" means any organization which was officially designated as a community action agency or a community action program under the provisions of section 210 of the Economic Opportunity Act of 1964 for fiscal year 1981, or which came into existence during fiscal year 1982 as a direct successor in interest to such a community action agency or community action program and meets all the requirements under section 675(c)(3) of this Act with respect to the composition of the board, unless such community action agency or a community action program lost its designation under section 210 of such Act as a result of a failure to comply with the provisions of such Act. The term "eligible entity" also includes any limited purpose agency designated under title II of the Economic Opportunity Act of 1964 for fiscal year 1981 which served the general purposes of a community action agency under title II of such Act, unless such designated agency lost

its designation under title II of such Act as a result of a failure to comply with the provisions of such Act, *and* any grantee which received financial assistance under section 222(a)(4) of the Economic Opportunity Act of 1964 in fiscal year 1981 **[**and any organization to which a State which applied for and received a waiver from the Secretary under Public Law 98-139 made a grant under this Act in fiscal year 1984**]** **[**In**]** *If* any geographic area of a State **[**not presently**]** *is not, or ceases to be,* served by an eligible entity, the **[**Governor**]** *chief executive officer* of the State may decide to serve such a new area by—

(A) * * *

* * * * * * * *

(C) where no existing eligible entity requested to serve the new area decides to do so, designating any existing eligible entity, any organization which has a board meeting the requirements of section 675(c)(3) or any political subdivision of the State to serve the new area. **[**The Governor's**]** *In making a designation under this subparagraph, such chief executive officer shall give priority to such organization. Such officer's* designation of an organization which has a board meeting the requirements of section 675(c)(3) or a political subdivision of the State to serve the new area shall qualify such organization as an eligible entity under this Act.

(2) The term "poverty line" means the official poverty line defined by the Office of Management and Budget based on Bureau of the Census data. The Secretary shall revise the poverty line annually (or at any shorter interval the Secretary deems feasible and desirable) which shall be used as a criterion of eligibility in community service block grant programs. The required revision shall be accomplished by multiplying the official poverty line by the percentage change in the Consumer Price Index **[**for all Urban**]** *For All Urban* Consumers during the annual or other interval immediately preceding the time at which the revision is made. Whenever the State determines that it serves the objectives of the block grant established by this subtitle the State may revise the poverty line to not to exceed 125 percent of the official poverty line otherwise applicable under this paragraph.

* * * * * * * *

STATE ALLOCATIONS

SEC. 674. (a)(1) * * *

(2)(A) Subject to subparagraph (B), if the amount appropriated under section 672 for each fiscal year which remains after—

(i) the Secretary makes the apportionment required in subsection (b)(1); and

(ii) the Secretary determines the amount necessary for the purposes of section 681(c);

exceeds $345,000,000, the Secretary shall allot to each State not less than one-half of 1 percent.

(B) Subparagraph (A) shall not apply with respect to a fiscal year if the amount allotted under paragraph (1) to any State—

(i) is less that the amount allotted under such paragraph to such State for fiscal year 1990; or

(ii) exceeds 140 percent of the amount allotted under such paragraph to such State for the fiscal year preceding the fiscal year for which a determination is made under this paragraph.

[(2)] *(3)* For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

* * * * * * *

DISCRETIONARY AUTHORITY OF SECRETARY

SEC. 681. (a) The Secretary is authorized to make grants, loans, or guarantees to States and public agencies and private nonprofit organizations, or to enter into contracts or jointly financed cooperative arrangements with States and public agencies and private nonprofit organizations, to provide for—

(1) training related to the purposes of this subtitle, including national conferences, newsletters, and collection and dissemination of data about programs and projects assisted under this subtitle;

(2) ongoing activities of national or regional significance related to the purposes of this subtitle, including special emphasis programs for—

(A) * * *

* * * * * * *

(D) technical assistance and training programs in [rural housing and community facilities development] *the planning and development of rural housing (including rental housing for low-income individuals) and community facilities* (in selecting entities to carry out such programs, the Secretary shall give priority to private nonprofit organizations that before the date of the enactment of the Human Services Reauthorization Act of 1986 carried out such programs under this subparagraph);

* * * * * * *

(F) national or regional programs designed to provide [recreational activities] *instructional activities described in subsection (b)* for low-income youth; and

* * * * * * *

(b) Any instructional activity carried out under subsection (a)(2)(F) shall be carried out on the campus of an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965) and shall include—

(1) access to the facilities and resources of such institution;

(2) an initial medical examination and follow-up referral or treatment, without charge, for youth during their participation in such activity;

(3) at least one nutritious meal daily, without charge, for participating youth during each day of participation;

(4)(A) high quality instruction in a variety of sports, provided by coaches and teachers from institutions of higher education and from secondary schools (as defined in section 1471(21) of the Elementary and Secondary Education Act of 1965); or

(B) another high quality recreational activity; and

(5) enrichment instruction and information on matters relating to the well-being of youth, such as educational opportunities and study practices, the prevention of drug and alcohol abuse, health and nutrition, career opportunities, and job opportunities.

[(b)] *(c)*(1) The final reports submitted by recipients of assistance under this section on projects completed with such assistance shall be summarized and reported by the Secretary annually to the Chairman of the Committee on Education and Labor of the House of Representatives and the Chairman of the Committee on Labor and Human Resources of the Senate. The report shall contain a list of recipients who have received assistance under this section outside of the competitive process.

(2) The Secretary shall, at the end of each fiscal year, prepare and distribute a catalog listing all the projects assisted under clause (A) of subsection (a)(2) in such fiscal year. The catalog shall include—

(A) a description of each project;

(B) an identification of the agency receiving the award, including the name and address of the principal investigator;

(C) a description of the project objectives; and

(D) a statement of the accomplishments of the project.

[(c)] *(d)* Of the amounts appropriated under section 672(b) for any fiscal year, not more than 9 percent of such amounts shall be available to the Secretary for purposes of carrying out this section, *section 682,* and subchapter A of chapter 8 of subtitle A of this title.

COMMUNITY FOOD AND NUTRITION

SEC. 681A. (a) * * *

(b)(1) Of the amount appropriated for a fiscal year to carry out this section, the Secretary shall allot funds for grants under subsection (a) as follows:

(A) From 60 percent of such amount (but not to exceed $6,000,000), the Secretary shall allot for grants to eligible agencies for statewide programs in each State the amount that bears the same ratio to 60 percent of the amount appropriated for such fiscal year as the low-income and unemployed populations of such State bear to the low-income and unemployed populations of all the States.

(B) From 40 percent of such amount (but not to exceed $4,000,000), the Secretary shall allot for grants on a competitive basis to eligible agencies for local and statewide programs.

(2) Of the amount appropriated for a fiscal year to carry out this section that remains after making the allotments required by paragraph (1), the Secretary shall allot funds for grants under subsections (a) and (c) as follows:

(A) From 50 percent of such remaining amount, the Secretary shall allot funds for the purpose and in the manner specified in paragraph (1)(A).

(B) From 50 percent of such remaining amount, the Secretary shall allot funds for the purpose and in the manner specified in paragraph (1)(B), and for the purposes specified in subsection (c).

(3) The Secretary may not make a grant to an eligible agency with funds allocated under paragraphs (1)(A) or (2)(A) unless such agency demonstrates to the Secretary that the statewide program such agency proposes to carry out with such grant consists of activities that—

(A) represent a comprehensive and coordinated effort to alleviate hunger throughout the State involved; and

(B) will be carried out throughout such State.

(4) Except as provided in subsection (c), from funds allotted under paragraphs (1)(B) and (2)(B) in any fiscal year, the Secretary may not make grants under subsection (a) to an eligible agency in an aggregate amount exceeding $50,000.

(c) From funds allotted under subsection (b)(2)(B) for a fiscal year, the Secretary shall make—

(1) one or more grants, in an aggregate amount of not less than $50,000 and not more than $250,000, to public and private nonprofit agencies to provide, to entities that provide nutrition-related services to low-income individuals, training and technical assistance that focus on nutrition needs that are common to several regions of the United States or that require a national strategy; and

(2) one or more grants, in an aggregate amount of not less than $100,000 and not more than $500,000, to public and private nonprofit agencies to carry out research and demonstration projects designed to develop knowledge, or demonstrate new approaches, that are relevant to alleviating hunger and malnutrition in the United States. Such grants shall be made to applicants based on—

(A) the extent to which the proposed projects will effectively alleviate hunger nationwide; and

(B) the ability of the applicants to carry out their respective proposed projects.

[(b)(1) From 60 percent of the amount appropriated for a fiscal year to carry out this section, the Secretary shall allot for grants under subsection (a) to eligible agencies for statewide programs in each State an amount which bears the same ratio to 60 percent of such appropriation as the low-income and unemployed populations of such State bear to the low-income and unemployed populations of all the States.

[(2) Forty percent of the amount appropriated in a fiscal year to carry out this section shall be available for grants under subsection (a) to be awarded on a competitive basis to eligible agencies for local and statewide programs. In any fiscal year no agency may receive funds awarded in accordance with this paragraph in excess of $50,000.]

[(c)] *(d)* There is authorized to be appropriated $3,000,000 for [each of the fiscal years 1987, 1988, 1989, and] *fiscal year* 1990,

$10,000,000 for fiscal year 1991, $15,000,000 for fiscal year 1992, $18,000,000 for fiscal year 1993, and $20,000,000 for fiscal year 1994 to carry out this section.

[TRANSITION PROVISIONS

[SEC. 682. (a)(1) The purpose of this section is to permit, for fiscal year 1982 only, States to choose to operate programs under the block grant established by this subtitle or to have Secretary operate programs under the provisions of law repealed by section 683(a).

[(2) The Secretary shall carry out the provisions of this section through the Office of Community Services established in section 676(a).

[(b)(1) Notwithstanding the provisions of section 683(a) or any other provision of law, a State may, for fiscal year 1982 only, make a determination that the State chooses not to operate programs under the block grant established by this subtitle. If the State makes such a determination, the State's allotment under section 674 shall be used within the State by the Secretary to carry out programs (in accordance with paragraph (4)) under the provisions of law in effect on September 30, 1981, but repealed by section 683(a).

[(2) The provisions of paragraph (1) apply to the provisions of law referred to in such paragraph, regardless of whether there is a specific termination provision or other provision of law repealing or otherwise terminating any program subject to this Act.

[(3) Each state which, pursuant to paragraph (1), determines to have the Secretary operate programs under the provisions of law in effect on September 30, 1981, but repealed by section 683(a), shall give notice to the Secretary of such determination. Such notice shall be submitted to the Secretary prior to the beginning of the first quarter of fiscal year 1982 and at least 30 days before the beginning of any other quarter during such fiscal year. For purposes of this section, the quarters for fiscal year 1982 shall commence on October 1, January 1, April 1, and July 1 of fiscal year 1982.

[(4)(A) In any case in which the Secretary carries out programs under paragraph (1), the Secretary shall provide for the carrying out of such programs by making grants for such purpose to eligible entities (as defined in section 673(1), to migrant and seasonal farm worker organizations, or to both such entities and such organizations or to entities designated under subparagraph (B).

[(B)(i) In any case in which a community action agency is denied refunding or is terminated for cause by the Secretary during fiscal year 1982 (regardless of whether such community action agency seeks review of such determination), the Secretary, with the concurrence of the chief executive officer of the State involved, may designate another public or private nonprofit agency to administer a community action program (as defined in section 210(a) of the Economic Opportunity Act of 1964, as in effect on September 30, 1981) in the same community.

[(ii) If, after the Secretary makes a designation under clause (i) and before the State involved begins operating programs under the block grant established in this subtitle, a final determination is

made to restore funding to the community action agency which was terminated or whose refunding was denied, then the agency designated under clause (i) shall lose its designation (as of the effective date of such final determination).

[(iii) Notwithstanding the foregoing provisions of this section, if the Secretary makes a designation under clause (i), then the agency so designated shall be considered to be an eligible entity for purposes of this subtitle through fiscal year 1983.

[(c) The Secretary shall provide such assistance to the States as the States may require in order to carry out the provisions of this section.

[(d) The Secretary may reserve not more than 5 percent of any State's allotment for administration of such State's programs under the block grant establishment by this subtitle, if such State has made a determination that the State chooses not to operate programs under the block grant established by this subtitle, and the Secretary is carrying out such State's programs under the provisions of law in effect on September 30, 1981.

[(e) Upon the enactment of this Act, the Director of the Office of Management and Budget is authorized to provide for termination of the affairs of the Community Services Administration. He shall provide for the transfer or other disposition of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with implementation of the authorities terminated by section 683(a) as necessary to effectuate the purposes of this subtitle.]

ANNUAL REPORT

SEC. 682. (a)(1) For each fiscal year beginning after September 30, 1991, the Secretary shall, by contract with an entity that is knowledgeable about programs and projects assisted under this subtitle, prepare a report containing the following information:

(A) The identity of each eligible entity, agency, organization, and person that receives, directly or indirectly, funds to carry out this subtitle in such fiscal year.

(B) With respect to each particular purpose or activity referred to in section 675(c)(1)—

(i) the aggregate amount of such funds expended in such fiscal year to achieve such purpose or carry out such activity; and

(ii) the number of individuals who directly benefited from the amount so expended.

(2) For any fiscal year beginning after September 30, 1991, the Secretary may, by contract, include in such report any additional information the Secretary considers to be appropriate to carry out this subtitle, except that the Secretary may not require a State to provide such additional information until the expiration of the 1-year period beginning on the date the Secretary notifies such State that such additional information will be required to be provided by such State.

(3) The Secretary may not carry out this subsection by entering into a contract with any State, eligible entity, agency, organization, or person that receives, directly or indirectly, funds to carry out this subtitle.

(b) Not later than 60 days after the end of the fiscal year for which a report is required by subsection (a) to be prepared, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

(1) such report in the form in which it was received by the Secretary; and

(2) any comments the Secretary may have with respect to such report.

(c) Of the funds made available under section 681(d), not more than $250,000 shall be available to carry out this section.

* * * * * * *

CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985

* * * * * * *

SEC. 603. APPLICATIONS.

(a) * * *

(b) CONTENTS OF APPLICATION.—A State's application shall contain appropriate assurances that—

(1) scholarship assistance made available with funds provided under this title will be awarded—

(A) only to eligible individuals;

(B) on the basis of the financial need of such individuals; and

(C) in amounts sufficient to cover the cost of application, assessment, and credentialing *(including, at the option of the State, any training necessary for credentialing)* for the Child Development Associate credential for such individuals; **[**and**]**

(2) not more than 20 percent of the funds received under this title by a State may be used to provide scholarship assistance under paragraph (1) to cover the cost of training described in paragraph (1)(C); and

[(2)**]** *(3)* not more than 10 percent of the funds received by the State under this title will be used for the costs of administering the program established in such State to award such assistance.

SEC. 604. DEFINITIONS.

For purposes of this title—

(1) the term "eligible individual" means a candidate for the Child Development Associate credential whose income does not exceed **[**the poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))**]** *125 percent of the lower living standard income level,* by more than 50 percent;

(2) the term "lower living standard income level" means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually by the Secretary of Labor and based on the most recent lower living family budget issued by the Secretary of Labor;

[(2)] *(3)* the term "Secretary" means the Secretary of Health and Human Services; and

[(3)] *(4)* the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau.

* * * * * * *

SEC. 606. AUTHORIZATION OF APPROPRIATIONS.

There [is authorized] *are authorized* to be appropriated $1,500,000 for [each of the fiscal years 1987, 1988, 1989, and] *fiscal year 1990, $3,000,000 for fiscal year 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994* for carrying out this title.

* * * * * * *

SECTION 408 OF THE HUMAN SERVICES REAUTHORIZATION ACT OF 1986

SEC. 408. DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR.

(a)* * *

* * * * * * *

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated [$5,000,000 for each of the fiscal years 1987, 1988, and 1989, and] $7,000,000 for fiscal year 1990, *$10,000,000 for fiscal year 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994* to carry out this section.

SUPPLEMENTAL VIEWS

While we are pleased with the bipartisan effort and agreement that is clearly evident in this report, there are two particular areas of concern which must be addressed when the bill is considered on the floor.

The first concerns the Follow Through program. It is a program that should be reformed.

Follow Through was first funded in fiscal year 1968. For the first three years of its funding, it was a part of the "Special Programs and Assistance" program established to meet the needs of the poor. Funding levels for the program in those first years were determined by the Director of the Office of Economic Opportunity. While funding was expected to be $120 million in 1967, Follow Through was funded at $15 million. Ensuing regulations from the Department of Education and the lack of funding caused Follow Through to become a study of effective strategies and establishment of educational and social service delivery models for disadvantaged children rather than a program to continue services to all Head Start children and others from similar compensatory preschool programs.

Ideally, the Chapter 1 program would provide the educational services needed by Head Start students as they move through the early grades. And Follow Through, if properly linked to Chapter 1, could provide the structure for the educational, as well as health, socialization and related services these children need. After all, Chapter 1 is funded at $5 billion per year, and it is designed to provide assistance to those children who are educationally disadvantaged. Surely the Head Start children should qualify.

But most Head Start students do not qualify for Chapter 1 programs. When Head Start does its job, it usually provides the children with enough preparation for school so that they are not "educationally disadvantaged" when they enter the elementary school. Therefore, Chapter 1 cannot meet their educational needs. Meanwhile Follow Through is an unfocused program with little money.

Consequently, the needs of elementary school students who participated in Head Start simply are not being met. As a result, the promise of the Head Start program is not being fulfilled for these individuals or for the nation.

The proposal offered by Mr. Tauke in Subcommittee and Full Committee would establish important linkages between the Follow Through program and Chapter 1 school-wide projects. School-wide Chapter 1 projects have a great deal of latitude in their use of funds and could easily be coordinated with an innovative Follow Through program to provide new models for meeting the educational, social, health and nutritional needs of the Head Start graduates in the early elementary grades.

The adoption of this proposal would be an important step toward reforming the Follow Through program and opening up Chapter 1 to Head Start students. We owe it to the Head Start students and the taxpayers to restructure the Follow Through program.

The second issue involves the treatment of child care monies should they be made available under the Head Start Act. It is in the interest of this Committee to protect the integrity and uniqueness of the Head Start program. It is the intent of this Committee that funds received for Head Start child care be considered as child care or as Head Start? If it is child care as is stated in the proposed H.R. 3, then Head Start regulations and performance standards should not apply in the same way. If this new day care program is Head Start, then we should call it Head Start and remove any confusion about what standards grantees must meet. Our contention is that wrap around child care should not be regulated and administered in the same way as the core Head Start program. If child care is an allowable activity under the Head Start Act, this Committee should require, through statute, the Secretary to promulgate regulations on the development, conduct, and administration of child care programs under the jurisdiction of the Head Start Bureau.

In considering further expansions of Head Start in both traditional and new ways we wish to emphasize several points. For the first time, we will make specific mention in the statute of Head Start Parent Child Centers. These programs began as demonstration projects in the early years of Head Start and 34 are currently funded as grantees. While the goal of reaching young mothers and their infants early, in hopes of teaching good parenting skills and ensuring healty development of babies, is worthy, these programs have not been subject to the same study and scrutiny as the core Head Start program and the Department should be cautious about expansion. The Committee agreed at Full Committee mark-up to clarify that the intent of the PCC expansion amendment is not to lessen current Head Start services. This is an appropriate restriction.

The Committee has received communication from rural communities that the method for allocating expansion funds has hurt them because direct grants are given to grantees with high numbers of unserved children, while other programs who may have a high percentage of unmet needs but lower numbers of children must compete for expansion funds. We are pleased that Mr. Coleman submitted report language which clarifies that the intent of our authorization is not to disadvantage rural and small communities from receiving expansion monies.

We have heard from the State of Iowa about the need for Migrant Head Start projects in the State. With over 1,500 migratory farmworkers and their families in the State each year, there is clearly a need and it is our hope that the Secretary will give strong consideration to targeting assistance to Iowa as appropriation levels for Head Start continue to rise.

TOM COLEMAN.
FRED GRANDY.
PETER SMITH.
TOM TAUKE.
HARRIS W. FAWELL.
STEVE BARTLETT.

ADDITIONAL VIEWS

HEAD START

I agree with my colleagues that Head Start has been a successful program and deserves to be extended. However, I am concerned when I hear a lot of talk about "full funding" without much discussion about how we can improve the program.

After personally reviewing some of the recent research on Head Start and other similar programs, it was clear to me that, while Head Start had important positive effects on children, it could probably do a better job.

I have focused my efforts in this reauthorization on how to improve the quality of the Head Start program as we begin to serve more children. I feel that it is important that we not only serve more children with the new Head Start funds, but that we provide local programs with the means to upgrade their program components. There is no way we are going to have "Changed Lives" as found in the High Scope study unless we get better trained professional and children have more contact hours both at the center and at home. The quality set aside goes towards meeting this need.

The amendments I offered, that were accepted without opposition, are all targeted at this goal of improvement of quality and effectiveness. Two of these amendments require Head Start grantees to involve parents in educational activities that will allow them to truly become involved in their children's education.

New grantees will have to demonstrate how they will implement this new provision and all current grantees must involve parents within the current Head Start program requirements. These amendments will also require grantees to coordinate their programs with the elementary schools in the area so that children experience a smooth transition and their "head start" can be maintained. It is my hope that these amendments will help counter the loss of progress we see in Head Start children as they progress through elementary school.

The final two amendments of mine that are contained in the Committee reported bill will increase our level of knowledge about Head Start. It is unfortunate that there is very little recent information about the effects of this program. If we are going to add several billion dollars to the Head Start program, we had better know what we are getting for this investment. The longitudinal study I am proposing will give us information on the long term effects of Head Start. So much of our rhetoric is based on the belief that Head Start will have these effects, but today this is really just a matter of faith.

The other amendment in this pair establishes a comprehensive assessment of Head Start that will provide a broad description of how the Head Start program works at the national, regional, and

local level. Similar to those done for Chapter 1 and Vocational Education, this report will be available before the next reauthorization and provide us with information necessary to further improve this important program.

FOLLOW THROUGH

At the Full Committee markup of the Human Resources legislation, Mr. Tauke offered an amendment to the Follow Through legislation. The provisions of the Tauke amendment would have continued the goals of Follow Through while addressing the important issue of coordination of services. The Congress has increased funding for Chapter 1 in large increments with the goal of reaching all eligible children. This is based on the belief that Chapter 1 is effective.

It does not make sense to talk about expanding another education "direct service program" for disadvantaged children unless the two work hand in glove. To date this has not happened, and the bill as reported out of Committee does not go far enough on this point. As I stated in my recent testimony before the Committee on Appropriations, if the Members of the Committee cannot come up with a way to make these programs work together before going to the floor, I would have to oppose any funding for this program in the future.

BILL GOODLING.

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